UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 20-F

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o **REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR 12(g) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☑ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2021

OR

o **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

o **SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of event requiring this shell company report

For the transition period from to

Commission file number 001-40974

GLOBALFOUNDRIES Inc.

(Exact Name of Registrant as Specified in Its Charter)

N/A	**Cayman Islands**
(Translation of Registrant's Name Into English)	**(Jurisdiction of Incorporation or Organization)**

400 Stonebreak
Road Extension
Malta, NY 12020
(518) 305-9013
(Address of Principal Executive Offices)

Dr. Thomas Caulfield, Chief Executive Officer
400 Stonebreak Road Extension
Malta, NY 12020
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E-mail: ir@gf.com
(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of Each Class	**Trading Symbol(s)**	**Name of Each Exchange on Which Registered**
Ordinary shares, par value US$0.02 per share	**GFS**	**The NASDAQ Global Select Market**

Securities registered or to be registered pursuant to Section 12(g) of the Act:

None

(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: None

(Title of Class)

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

As of December 31, 2021, 531,845,744 ordinary shares, par value US$0.02 per share, were outstanding.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☑

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or (15)(d) of the Securities Exchange Act of 1934. Yes ☐ No ☑

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or an emerging growth company. See definition of “large accelerated filer,” “accelerated filer,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	☐	Accelerated Filer	☐	Non-Accelerated Filer	☑	Emerging Growth Company	☐

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act. ☐

†The term “new or revised financial accounting standard” refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management’s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ☐	International Financial Reporting Standards as issued by the International Accounting Standards Board ☑	Other ☐

If “Other” has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.

Item 17 ☐ Item 18 ☐

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☑

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Certain statements in this Annual Report on Form 20-F (the "Annual Report") are or may be deemed to be, "forward-looking statements" within the meaning of U.S. securities laws. These forward-looking statements are based on current expectations, estimates, forecasts and projections. These forward-looking statements appear in a number of places throughout this Annual Report including, but not limited to "Risk Factors," "Business Overview," and "Results of Operations." Words such as "expect," "anticipate," "should," "believe," "hope," "target," "project," "goals," "estimate," "potential," "predict," "may," "will," "might," "could," "intend," "shall" and variations of these terms and similar expressions are intended to identify these forward-looking statements, although not all forward-looking statements contain these identifying words. Forward-looking statements are based on our management's beliefs and assumptions and on information currently available to our management.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance and our actual results of operations, financial condition and liquidity, and the development of the industries in which we operate may differ materially from those made in or suggested by the forward-looking statements contained in this Annual Report. Important factors that could cause those differences include, but are not limited to:

- general global economic conditions;
- our ability to meet production requirements under long-term supply agreements;
- our business and operating strategies and plans for the development of existing and new businesses, ability to implement such strategies and plans and expected time;
- our reliance on a small number of customers;
- our future business development, financial condition and results of operations;
- the seasonality, volatility and cyclical nature of the semiconductor and microelectronics industry;
- expected changes in our revenue, costs or expenditures;
- our dividend policy;
- our assumptions and estimates regarding design wins;
- our expectations regarding demand for and market acceptance of our products and services;
- our expectations regarding our relationships with customers, contract manufacturers, component suppliers, third-party service providers, strategic partners and other stakeholders;
- our expectations regarding our capacity to develop, manufacture and deliver semiconductor products in fulfillment of our contractual commitments;
- our ability to conduct our manufacturing operations without disruptions;
- our ability to manage our capacity and production facilities effectively;
- our ability to develop new technologies successfully and remain a technological leader;
- our ability to maintain control over expansion and facility modifications;
- our ability to generate growth or profitable growth;
- our ability to maintain and protect our intellectual property;
- our ability to hire and maintain qualified personnel;
- our effective tax rate or tax liability;
- our ability to acquire required equipment and supplies necessary to meet customer demand;
- the increased competition from other companies and our ability to retain and increase our market share;
- the potential business or economic disruptions caused by current and future pandemics, such as the ongoing COVID-19 pandemic;
- developments in, or changes to, laws, regulations, governmental policies, incentives and taxation affecting our operations relating to our industry; and
- assumptions underlying or related to any of the foregoing.

We caution you that the foregoing list does not contain all of the forward-looking statements made in this Annual Report.

Forward-looking statements include, but are not limited to, statements regarding our strategy and future plans, future business condition and financial results, our capital expenditure plans, our capacity management plans, expectations as to the commercial production using more advanced technologies, technological upgrades, investment in research and development, future market demand, future regulatory or other developments in our industry, business expansion plans or new investments as well as business acquisitions and financing plans. Please see “Item 3. Key Information—Risk Factors” for a further discussion of certain factors that may cause actual results to differ materially from those indicated by our forward-looking statements. Accordingly, you should not place undue reliance on these forward-looking statements. In any event, these statements speak only as of their dates, and we undertake no obligation to update or revise any of them, whether as a result of new information, future events or otherwise.

You should carefully consider the “Risk Factors” and subsequent public statements, or reports filed with or furnished to the SEC, before making any investment decision with respect to our securities. If any of these trends, risks or uncertainties actually occurs or continues, our business, financial condition or operating results could be materially adversely affected, the trading prices of our securities could decline and you could lose all or part of your investment. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by this cautionary statement.

As used in this Annual Report, all references to “we”, “us”, “our”, the “Company” and "GF” are to GlobalFoundries Inc. and its consolidated subsidiaries.

PART I

ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISORS

Not applicable.

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

Not applicable.

ITEM 3. KEY INFORMATION

A. Reserved.

B. Capitalization and Indebtedness

Not applicable.

C. Reasons for the Offer and Use of Proceeds

Not applicable.

D. Risk Factors Summary

The following important factors, and those factors described in other reports submitted to, or filed with, the SEC, among other factors, could affect our actual results and could cause our actual results to differ materially from those expressed in any forward-looking statements made by us or on our behalf, and that such factors may adversely affect our business and financial status and therefore the value of your investment:

Risks Related to our Business and Industry

- Global economic and political conditions could materially and adversely affect us.
- We have long-term supply agreements with certain customers that obligate us to meet specific production requirements, which may expose us to liquidated and other damages, require us to return advanced payments, require us to provide products and services at reduced or negative margins and constrain our ability to reallocate our production capacity to serve new customers or otherwise.
- Our strategy of securing and maintaining long-term supply contracts and expanding our production capacity may not be successful.
- We depend on a small number of customers for a significant portion of our revenue and any loss of this or our other key customers, including potentially through further customer consolidation, could result in significant declines in our revenue.
- We rely on a complex silicon supply chain and breakdowns in that chain could affect our ability to produce our products.
- Reductions in demand and average selling prices for our customers' end products (e.g., consumer electronics).
- Our competitors have announced expansions and may continue to expand in the United States and Europe, which could materially and adversely affect our competitive position.
- Sales to government entities and highly regulated organizations are subject to a number of challenges and added risks, and we could fail to comply with these heightened compliance requirements, or effectively manage these challenges or risks.

Risks Related to Manufacturing, Operations and Expansion

- If we are unable to manage our capacity and production facilities effectively, our competitiveness may be weakened.
- Our manufacturing processes are highly complex, costly and potentially vulnerable to impurities and other disruptions, and cost increases, that can significantly increase our costs and delay product shipments to our customers.

- Our profit margin may substantially decline if we are unable to continually improve our manufacturing yields, maintain high shipment utilization or fail to optimize the process technology mix of our wafer production.
- If we are unable to obtain adequate supplies of raw materials in a timely manner and at commercially reasonable prices our revenue and profitability may decline.

Risks Related to Intellectual Property

- Any failure to obtain, maintain, protect or enforce our intellectual property and proprietary rights could impair our ability to protect our proprietary technology and our brand.
- There is a risk that our trade secrets, know-how and other proprietary information will be stolen, used in an unauthorized manner, or compromised.
- The laws of some foreign countries may not be as protective of intellectual property rights as those in the United States, and mechanisms for enforcement of intellectual property rights may be inadequate.
- Our success depends, in part, on our ability to develop and commercialize our technology without infringing, misappropriating or otherwise violating the intellectual property rights of third parties and we may not be aware of such infringements, misappropriations or violations.
- We may be unable to provide technology to our customers if we lose the support of our technology partners.
- We have been and may continue to become subject to intellectual property disputes, which are costly and may subject us to significant liability and increased costs of doing business.

Political, Regulatory and Legal Risks

- Environmental, health and safety laws and regulations expose us to liability and risk of non-compliance, and any such liability or non-compliance may adversely affect our business.
- We are subject to governmental export and customs compliance requirements that could impair our ability to compete in international markets or subject us to liability if we violate the controls.
- We are currently and may in the future become subject to litigation that could result in substantial costs, divert or continue to divert management's attention and resources.

Risks Related to Our Status as a Controlled Company and Foreign Private Issuer

- Mubadala will continue to have substantial control over the Company, which could limit your ability to influence the outcome of key transactions, including a change of control, and otherwise affect the prevailing market price of our ordinary shares.
- We are a foreign private issuer and, as a result, are not subject to U.S. proxy rules but are subject to reporting obligations that, to some extent, are more lenient and less frequent than those of a U.S. issuer.

Risk Factors

Risks Related to our Business and Industry

Global economic and political conditions could materially and adversely affect our results of operations, financial condition, business and prospects.

The semiconductor industry relies on a global supply chain and is considered strategically important by major trading countries, including the United States, China, and countries in the EU. Political, economic and financial crises have in the past negatively affected and in the future could negatively affect the semiconductor industry and its end markets. Our business may also be materially affected by the impact of geopolitical tensions and related actions. Recently, there have been political and trade tensions among, and between, a number of the world's major economies, most recently between Russia and the member nations of NATO and others and, most notably in our industry between the United States and China, with Hong Kong and Taiwan implicated in the tensions. These tensions have resulted in the implementation of trade barriers, including the use of economic sanctions and export control restrictions against certain countries and individual companies. For example, over the past two years, the U.S. Department of Commerce's Bureau of Industry and Security ("BIS") placed one of the largest mobile handset and 5G infrastructure providers in the world, Huawei, and China's largest semiconductor foundry, Semiconductor Manufacturing International Corporation ("SMIC"), on the BIS Entity List. Violations of these economic sanctions and export control restrictions can result in significant civil and criminal penalties. These trade barriers have had a particular impact on the semiconductor industry and related markets. Prolonged or increased use of trade barriers may result in a decrease in the growth of the global economy and semiconductor industry and could cause turmoil in global markets, which in turn often results in declines in our customers' electronic products sales and could decrease demand for our products and services. Also, any increase in the use of economic sanctions or export control restrictions to

target certain countries and companies could impact our ability to continue supplying products and services to those customers and our customers' demand for our products and services, and could disrupt semiconductor supply chains. Finally, the recent conflict between Russia and Ukraine has created uncertainty regarding potential impacts on supply of materials needed for our operations (including natural gas), particularly in Europe, and regarding our customers' potential sales of electronic products and components to customers in Russia. The conflict has also created uncertainty about broader impacts that economic sanctions, prioritization of humanitarian shipments, and export control restrictions may have on global supply chains and markets generally.

Any future systemic political, economic or financial crisis or market volatility, including interest rate fluctuations, inflation or deflation and changes in economic, trade, fiscal and monetary policies in major economies, could cause revenue or profits for us or the semiconductor industry as a whole to decline dramatically. If the economic conditions in the markets in which our customers operate or the financial condition of our customers were to deteriorate, the demand for our products and services may decrease and impairments, write-downs and other accounting charges may be required, which could reduce our operating income and net income. Further, in times of market instability, sufficient external financing may not be available to us on a timely basis, on commercially reasonable terms or at all. If sufficient external financing is not available when we need such financing to meet our demand-driven capital requirements, we may be forced to curtail expansion, modify plans and delay the deployment of new or differentiated technologies, products, or services until we obtain such financing. Further escalation of trade tensions, the increased use of economic sanctions or export control restrictions or any future global systemic crisis or economic downturn could materially and adversely affect our results of operations, financial condition, business and prospects.

We have long-term supply agreements with certain customers that obligate us to meet specific production requirements, which may expose us to liquidated and other damages, require us to return advanced payments, require us to provide products and services at reduced or negative margins and constrain our ability to reallocate our production capacity to serve new customers or otherwise.

In response to the current global semiconductor supply shortage and in connection with our focus on differentiated technology platforms and deeper customer engagements, we have entered into multiple long-term supply agreements that provide for significant customer commitments in return for capacity reservation commitments from us. In many cases, in connection with these arrangements we have received, or will receive, customer advanced payments and capacity reservation fees. If we are unable to satisfy our obligations under these contracts, we may be forced to return such payments which could result in significant cash expenditures. Under most of our long-term supply agreements, we must maintain sufficient capacity at our manufacturing facilities to meet anticipated customer demand for our proprietary products. From time to time, this requires us to invest in expansion or improvements of those facilities, which often involves substantial cost and other risks, such as delays in completion. Such expanded manufacturing capacity may still be insufficient, or may not come online soon enough, to meet customer demand and we may have to limit the amount of products we can supply to customers, forgo sales or lose customers as a result. Further, capacity reserved for certain customers could cause us to breach obligations to other customers due to capacity constraints, or prevent us from serving new customers. If we are unable to satisfy our obligations under our customer agreements, we may be subject to significant liquidated damages or penalties, which could result in significant cash expenditures and require us to raise additional capital. Conversely, if we overestimate customer demand or a customer defaults on its purchase or payment obligations to us, we could experience underutilization of capacity at these facilities without a corresponding reduction in fixed costs. Our inability to maintain appropriate capacity could materially and adversely affect our results of operations, financial condition, business and prospects.

Our strategy of securing and maintaining long-term supply contracts and expanding our production capacity may not be successful.

We have undertaken, and will continue to undertake, various business strategies to sell a significant portion of our production capacity through long-term supply contracts, grow our production capacity, and improve operating efficiencies and generate cost savings. We cannot assure you that we will successfully implement those business strategies or that implementing these strategies will sustain or improve and not harm our results of operations. In particular, our ability to implement our strategy to enter into long-term supply contracts successfully is subject to certain risks, including:

- customers defaulting on their obligations to us, which may include significant payment obligations;
- our defaulting on our obligations to our customers (for example, due to raw materials shortages, production disruptions, or our subcontractors' default on test or packaging obligations), which could result in us owing substantial penalties to our customers;
- customers seeking to renegotiate key terms of their contracts, such as pricing and specified volume commitments, in the event market conditions change during the contract term; and
- our inability to extend contracts when they expire.

As a result, we cannot assure you that we will successfully implement this strategy or realize the anticipated benefits of these contracts.

Additionally, the costs involved in implementing our strategies may be significantly greater than we currently anticipate. For example, our ability to complete production capacity expansions or make other operational improvements as planned may be delayed, interrupted or made more costly by the need to obtain environmental and other regulatory approvals, the availability of semiconductor manufacturing equipment, labor and materials, unforeseen hazards, such as weather conditions, and other risks customarily associated with construction projects. Moreover, the cost of expanding production capacity could have a negative impact on our financial results until shipment utilization is sufficient to absorb the incremental costs associated with the expansion.

Our ability to successfully implement these strategies depends on a variety of factors, including, among other things, our ability to finance our operations, maintain high-quality and efficient manufacturing operations, respond to competitive and regulatory changes, access semiconductor manufacturing equipment or quality raw materials in a cost-effective and timely manner, and retain and attract highly skilled personnel. Further, some of our long-term supply agreements constrain our ability to change product mix within short time frames, given “end of life” provisions in our agreements that require substantial notice periods before we can cease production of existing products. Since 2018, we have been in the process of pivoting our development resources to focus on differentiated technologies, based on an analysis of market dynamics and our competitive strengths. Any failure to continue implementing this strategic pivot in a timely and cost-effective manner could materially and adversely affect our results of operations, financial condition, business and prospects.

We depend on a small number of customers for a significant portion of our revenue and any loss of this or our other key customers, including potentially through further customer consolidation, could result in significant declines in our revenue.

We have been largely dependent on a small number of customers for a substantial portion of our revenue. Our ten largest customers in 2019, 2020 and 2021 accounted for approximately 73%, 73% and 67% of our wafer shipment volume, respectively. We expect that a significant portion of our revenue will continue to come from a relatively limited number of customers. We cannot assure you that our revenue generated from these customers, individually or in the aggregate, will reach or exceed historical levels in any future period. Loss or cancellation of business from, significant changes in scheduled deliveries to, or a decrease of products and services sold to any of these customers could significantly reduce our revenue. Additionally, the increasing trend in mergers and acquisition activities in the semiconductor industry could reduce the total available customer base.

We rely on a complex silicon supply chain and breakdowns in that chain could affect our ability to produce our products and could materially and adversely affect our results of operations, financial condition, business and prospects.

We rely on a small number of suppliers for wafers, which is a key input into our products. In particular, only a limited number of companies in the world are able to produce silicon-on-insulator (“SOI”) wafers. If there is an insufficient supply of wafers, particularly SOI wafers, to satisfy our requirements, we may need to limit or delay our production, which could materially and adversely affect our results of operations, financial condition, business and prospects. If our limited source suppliers and suppliers for wafer preparation were to experience difficulties that affected their manufacturing yields or the quality of the materials they supply to us, it could materially and adversely affect our results of operations, financial condition, business and prospects. In particular, we depend on Soitec S.A. (“Soitec”), our largest supplier of SOI wafers, for the timely provision of wafers in order to meet our production goals and obligations to customers. We have entered into multiple long-term agreements with Soitec across a wide spectrum of SOI products. Soitec supplied 46% of our SOI wafers in 2021. In April 2017, we entered into a multi-year materials supply agreement with Soitec that expires in 2022, with automatic annual extensions unless terminated by either party. In that same year, we agreed to an addendum to the materials supply agreement for Fully-Depleted SOI (“FDX™”) wafers, in particular, as amended and restated in 2021. In November 2020, we agreed to an addendum to our original materials supply agreement to secure supply for 300 millimeter (“mm”) RF SOI, partially-depleted SOI and Silicon Photonics (“SiPh”) wafers. Our supply agreements with Soitec impose mutual obligations, in the form of capacity requirements, minimum purchase requirements and supply share percentages. We may be subject to penalties if we fail to comply with such obligations. If we are unable to obtain 300mm SOI wafers from Soitec for any reason, we expect that it would be challenging, if not infeasible, to find a replacement supplier on commercially acceptable terms in the near term. While we are in the process of developing relationships with alternate suppliers, we do not expect to be able to acquire a significant amount of SOI wafers from those suppliers in the near term, and there is no assurance that we will ever be able to do so.

The ability of our suppliers to meet our requirements could be impaired or interrupted by factors beyond their control, such as earthquakes or other natural phenomena, labor strikes or shortages, or political unrest or failure to obtain materials for their suppliers. For example, Soitec is reliant on third-party providers to obtain raw silicon wafers—difficulties in obtaining raw silicon wafers may result in Soitec’s inability to produce SOI wafers. In the event one of our suppliers is unable to deliver products to us or is unwilling to sell materials or components to us, our operations may be adversely affected. Further,

financial or other difficulties faced by our suppliers, or significant changes in demand for the components or materials they use in the products they supply to us, could limit the availability of those products, components, or materials to us. Any breakdown of our wafer supply chain could materially and adversely affect our results of operations, financial condition, business and prospects.

Reductions in demand and average selling prices ("ASPs") for our customers' end products (e.g., consumer electronics) and increases in inflation may decrease demand for our products and services and could materially and adversely affect our results of operations, financial condition, business and prospects.

The substantial majority of our revenue is derived from customers who use our products in intelligent and highly connected devices in markets such as Smart Mobile Devices, Home and Industrial internet of things ("IoT"), Communications Infrastructure & Datacenter, Automotive and Personal Computing. A deterioration or a slowdown in the growth of such end markets resulting in a substantial decrease in the demand for overall global semiconductor foundry services, including our products and services, could adversely affect our revenue and profit margins. Semiconductor manufacturing facilities require substantial investment to construct and are largely fixed-cost assets once they are in operation. Because we own our manufacturing facilities, a significant portion of our operating costs are fixed. In general, these costs do not decline when customer demand or our shipment utilization rate drops, and thus declines in customer demand, among other factors, may significantly decrease our profit margins. Our costs may also increase as a result of, among other things, inflation, which may have a greater impact on our profit margins than ASPs. In the past, there have been periods of sustained decline in ASPs of our customers' end products and applications. A return to historical trends could place downward pressure on the prices of the components, including our products, that go into such end products and applications. If ASPs decline and our cost reduction programs and actions do not offset the decrease or our costs increase due to inflation or otherwise and are not offset by an increase in ASPs, our results of operations, financial condition, business and prospects may be materially and adversely affected.

The seasonality and cyclical nature of the semiconductor industry and periodic overcapacity make us vulnerable to significant and sometimes prolonged economic downturns.

The semiconductor industry has exhibited cyclicality in the past and, at various times, has experienced downturns. Fluctuations in our customers' demand drive significant variations in order levels for our products and services and can result in volatility in our revenue and earnings. Because our business is, and will continue to be, largely dependent on the requirements of both consumer and industrial high-end technology product suppliers for our services, downturns in this broad industry will likely lead to reduced demand for our products and services.

Demand for our customers' end products is affected by seasonal variations in market conditions that contribute to the fluctuations of demand and prices for semiconductor services and products. The seasonal sales trends for semiconductor services and products closely mirror those for automotive, consumer electronics, communication and computer sales. These seasonal variations, and seasonal variation changes that we cannot anticipate, may result in increased volatility in our results of operation and could materially and adversely affect our results of operations, financial condition, business and prospects.

Overcapacity in the semiconductor industry may reduce our revenue, earnings and margins.

The prices that we can charge our customers for manufacturing services are significantly related to the overall worldwide supply of integrated circuits ("ICs") and semiconductor products. The overall supply of semiconductors is based in part on the capacity of other companies, which is outside of our control. For example, in light of current market conditions, we and some other companies, including competitors with access to material government support, have announced plans to increase capacity expenditures significantly. Additionally, some nations, including China, are investing heavily in developing additional domestic capacity for semiconductor fabrication. We believe such plans, if carried out as planned, will increase the industry-wide capacity and could result in overcapacity in the future. In periods of overcapacity, if we are unable to offset the adverse effects of overcapacity through, among other things, our technology and product mix, we may have to lower the prices we charge our customers for our products and services and/or we may have to operate at significantly less than full capacity. Such actions could reduce our margin and profitability and weaken our financial condition and results of operations. We cannot give any assurance that an increase in the demand for foundry services in the immediate and short-term will not lead to overcapacity in the future, which could materially and adversely affect our results of operations, financial condition, business and prospects.

If we are unable to attract customers with our technology, respond to fast-changing semiconductor market dynamics or maintain our leadership in product quality, we will become less competitive.

The semiconductor industry and the technologies it brings to market are constantly being created and evolving. We compete by developing process technologies that incorporate increasingly higher performance and advanced features, offering increasing functionality depending upon the customer's application requirements. If we do not anticipate these changes in technology requirements and fail to rapidly develop new and innovative solutions to meet these demands, we

may not be able to provide foundry services on competitive terms with respect to cost, schedule or volume manufacturing capacity. There is a risk that our competitors may successfully adopt new or more differentiated technology before we do, resulting in us losing design wins (including in cases in which we have expended significant resources to pursue design wins) and market share. If we are unable to continue to offer differentiated services and processes on a competitive and timely basis, we may lose customers to competitors providing similar or better technologies.

A key differentiator in the marketplace is to significantly reduce the time in which technology products or services are launched into the market. If we are unable to meet the shorter time-to-market requirements of our customers or fail to impress them with our newer technology solutions or are unable to allocate or develop new production capacity to meet those customers' demands in a timely manner, we risk losing their business and not generating the market adoption needed to pay for our development efforts. These factors have also been intensified by the shift of the global technology market to consumer-driven products and increasing concentration of customers and competition. Further, the increasing complexity of technology also imposes challenges for achieving expected product quality, cost and time-to-market expectations. If we fail to maintain quality, it may result in loss of revenue and additional cost, as well as loss of business or customer trust. If we are unable to meet the expected production yields of a new technology, we will not be able to meet the expected costs of that technology. In addition, the market prices for technology and services tend to fall over time, except in times of extreme supply shortage. As a result, if we are unable to offer new differentiated services and processes on a competitive and timely basis, we may need to decrease the prices that we set for our existing services and processes. If we are unable to innovate new and differentiated technologies and bring them to a cost-competitive volume manufacturing scale that meets the demand of our customers, we may become less competitive and our revenue and margins may decline significantly.

External risks also exist that can impact our position as a technology leader. Differentiated technology offerings may rely upon unique or specialized materials as compared to our competitors, including specialized wafers upon which some of our technologies are currently manufactured, raw materials for wafer fabrication, and materials used in the packaging of ICs to enable them to be used in the end products. A disruption in the availability of or quality of these new or unique materials during technology development can impact time-to-market, or have impact on the quality or cost of finished goods in the marketplace. Similarly, our technology roadmap relies on externally sourced design tools and component circuit designs that allow our end customers to more readily realize their products in our technologies, and disruption or delays in our ability to obtain those resources may impair our ability to compete effectively and serve our customers.

The rapidly changing nature of advanced semiconductor technology can also culminate in the emergence of highly disruptive or unconventional technologies and new disruptive solutions using existing technologies, which can create a rapid inflection point leaving those on a conventional technology roadmap path at a significant disadvantage and unprepared to react in a timely manner.

If we are unable to compete effectively with other sophisticated players in the highly competitive foundry segment of the semiconductor industry, we may lose customers and our profit margins and earnings may decrease.

We believe the foundry market is comprised of five major pure-play foundries that accounted for the vast majority of worldwide foundry revenue in 2021. We define a scaled pure-play foundry as a company that focuses on producing ICs for other companies, rather than those of its own design, with more than $2 billion of annual foundry revenue. Taiwan Semiconductor Manufacturing Company, Limited ("TSMC") at $56.8 billion of revenue in 2021 accounted for more than 50% of the total market. Other key competitors include SMIC and United Microelectronics Corporation ("UMC"), as well as the foundry operation services of some integrated device manufacturers, such as Samsung and, more recently, Intel Corporation ("Intel"). Integrated Device Manufacturers ("IDMs") principally manufacture and sell their own proprietary semiconductor products but may also offer foundry services. Other smaller dedicated foundry competitors include X-FAB Silicon Foundries, Tower Semiconductor Ltd., Vanguard International Semiconductor Corporation ("Vanguard") and WIN Semiconductors Corp. Some of our competitors may offer more advanced or differentiated technologies than we do and some have greater access to capital and substantially greater production capacity, research and development ("R&D"), marketing and other resources, including access to government subsidies and economic stimulus (including protective demand-side measures), than we do. As a result, these companies may be able to compete more aggressively over a longer period of time than we can.

The principal elements of competition in the wafer foundry market include:

- scale and the ability to access capital to fund future growth;
- capacity utilization;
- technical competence, including internal and access to external design enablement capabilities;
- technology leadership and differentiation;
- price;
- time-to-volume production and cycle time;

- time-to-market;
- investment in R&D and related quality of results;
- manufacturing yields;
- optimization of the technology mix of wafer production at particular process technology nodes;
- design/technology interaction and resulting chip reliability;
- customer service and design support;
- management expertise; and
- strategic alliances and geographic diversification.

Our ability to compete successfully also depends on factors partially outside of our control, including component supply, intellectual property, including cell libraries that our customers embed in their product designs, and industry and general economic trends.

Our competitors have announced expansions and may continue to expand in the United States and Europe, which could materially and adversely affect our competitive position.

TSMC, Samsung and Intel have announced plans to develop new fabrication facilities ("fabs") and substantially increase their manufacturing capacity in the United States, and other competitors may seek to do likewise. Similarly, our competitors may seek to develop new fabs in Europe and substantially increase their manufacturing capacity. Such expansions may increase the attractiveness of our competitors to customers who wish to utilize fabs located in the United States or Europe, use geographically dispersed suppliers or mitigate risks posed by geopolitical tensions and export controls. Further, it may lead to increased competition for funding and talent in those jurisdictions. This increased competition could materially and adversely affect our results of operations, financial condition, business and prospects.

The semiconductor industry is capital-intensive and, if we are unable to invest the necessary capital to operate and grow our business, we may not remain competitive.

To remain competitive and comply with evolving regulatory requirements, we must constantly improve our facilities and process technologies and carry out extensive R&D, each of which requires investment of significant amounts of capital. The costs of manufacturing facilities and semiconductor manufacturing equipment continue to rise. We expect to incur additional capital expenditures in connection with our revenue expansion plans to expand our fabs in Dresden, Germany; Malta, New York; and Singapore. On June 22, 2021, we announced plans to spend approximately $4.0 billion to expand our operations in Singapore, and on July 19, 2021 announced fab expansion plans in Malta, New York involving approximately $1.0 billion, with the construction of a new fab on the same campus to follow. Our actual expenditures may exceed our planned spend due to global economic and industry-wide equipment or material price increases during the long lead time to build capacity. Given the fixed-cost nature of our business, we have in the past incurred, and may in the future incur, operating losses if our revenue do not adequately offset the impact of our capital expenditures and the cost of financing these expenditures. Additionally, a significant portion of any operating income we do generate is needed to service our outstanding debt.

We invest significantly in R&D, and to the extent our R&D efforts are unsuccessful, our competitive position may be harmed and we may not be able to realize a return on our investments. To compete successfully, we must maintain a successful R&D effort, develop new product technologies, features and manufacturing processes, and improve our existing products and services, technologies and processes. Our R&D efforts may not deliver the benefits we anticipate. To the extent we do not timely introduce new technologies and features relative to competitors, we could face cost, product performance, and time-to-market disadvantages, which could materially and adversely affect our results of operations, financial condition, business and prospects.

Financing, including equity capital, debt financing, customer co-investments and government subsidies, may not be available on commercially acceptable terms or at all. Any additional debt financing we may undertake could require debt service and financial and operational requirements that could adversely affect our business. If we are unable to generate sufficient cash or raise sufficient capital to meet both our debt service and capital investment requirements, or if we are unable to raise required capital on favorable terms when needed, we may be forced to curtail revenue expansion plans or delay capital investment, which could materially and adversely affect our results of operations, financial condition, business and prospects.

We may not be able to implement our planned growth and development or maintain the differentiation of our solutions if we are unable to recruit and retain key executives, managers and skilled technical personnel.

We rely on the continued services and contributions of our management team and skilled technical and professional personnel. In this industry, the competitive pressures to find and retain the most talented personnel are intense and

constant. The top talent in the industry is often well-known and pursued by competitors. In addition, with the speed of technological and business change, skills need to be constantly refreshed and built upon. Our business could suffer if we are unable to fulfill and sustain resource requirements with qualified individuals in required positions globally. Fulfilling new resource needs on a timely basis continues to be a challenge in this highly competitive market for semiconductor talent. Competition for talent exists in all of our operating regions, emphasizing the importance of strong employee retention, and if we fail to attract and retain top talent, our business and results of operations could be materially adversely impacted.

We receive subsidies and grants in certain countries and regions in which we operate, and a reduction in the amount of governmental funding available to us or demands for repayment could increase our costs and affect our results of operations.

As is the case with other large semiconductor companies, we receive subsidies and grants from governments in certain countries and regions in which we operate. In response to increased geopolitical tensions, national security and supply chain concerns, as well as recent supply shortages, the United States and the European Union are considering new semiconductor industry incentive programs. For example, the United States Congress has passed appropriations bills to fund the Creating Helpful Incentives to Produce Semiconductors for America ("CHIPS") Act. Similarly, the European Commission recently proposed the European Chips Act. These programs represent potentially significant new sources of government funding for capital and R&D investment for our industry. Historically, we have benefited from these kinds of government programs, and we intend to continue to benefit from government programs to help fund our expansion efforts. However, we may be unable to secure government funding at the levels we expect or at all, and the availability of government funding is outside our control. Moreover, should we terminate any activities or operations related to government funds that we receive or upon which government funds have been conditioned, we may face adverse consequences. In particular, government agencies could seek to recover subsidies or grants from us, seek repayment of loans, or could cancel, reduce or deny our requests for future subsidies or grants. This could materially and adversely affect our results of operations, financial condition, business and prospects.

Strong government support in China for capacity expansion, combined with weaker demand from and strained economic relations with that country, could lead to underutilization or significant ASP erosion for fab fill.

China's aggressive investment in its "buy from China" initiatives have inflated the capital available for technology development in China and resulted in an expansion of fabrication capacity for semiconductors. China's decision to build capacity for China, to be sourced primarily from indigenous suppliers like SMIC, will have the effect of limiting the Chinese market for other global suppliers like us. Increases in China's fabrication capacity for semiconductors may also significantly increase the competition we face globally, which may make it more difficult for us to retain and obtain new customers and lead to material reductions in ASPs.

Any outbreak of contagious disease, such as the ongoing COVID-19 pandemic, could materially and adversely affect our results of operations, financial condition, business and prospects.

Any outbreak of contagious disease, including, but not limited to, COVID-19, Zika virus, Ebola virus, avian or swine influenza or severe acute respiratory syndrome, may disrupt our ability to adequately staff our business and may generally disrupt our operations. The ongoing COVID-19 pandemic has slowed economic growth, including in regions of the world where we, our customers and suppliers operate, and has negatively impacted the global supply chain, market and economies. We have significant operations in the United States, Europe, and Singapore, including supply chain and manufacturing facilities and sales and marketing channels and information technology ("IT") design and other support services in these countries and regions as well as other countries such as Japan, India, Bulgaria, Taiwan and China.

If the COVID-19 outbreak worsens or continues longer term, or new outbreaks of COVID-19 or other contagious diseases occur, we may experience material adverse effects on our business, including, among other things:

- declines in sales activities and customer orders;
- significant fluctuations in demand for our products and services, which could in turn cause uncertainty for our capacity planning, production delays and reduced workforce availability;
- difficulties in domestic and international travel and communications and interruption;
- delays in our planned expansion in Singapore, including from temporary governmental work stoppage orders to control COVID-19 infection rates or as a result of border closures with Malaysia, both of which have occurred;
- delays in other potential expansion plans; or
- slowdown of R&D activities.

Likewise, such an outbreak of disease could slow or suspend the operations of our suppliers and cause them to be unable to deliver needed raw materials as required. Any of these factors could materially and adversely affect our results of operations, financial condition, business and prospects.

Sales to government entities and highly regulated organizations are subject to a number of challenges and added risks, and our failure to comply with these heightened compliance requirements, or effectively manage these challenges or risks, could impact our operations and financial results.

We currently sell to the U.S. federal government and to customers in highly regulated industries, and may sell to state and local governments and to foreign governmental agency customers in the future. Sales to such entities are subject to a number of compliance challenges and risks, including regarding access to and required protection of classified information. Failure to comply with Foreign Ownership, Control or Influence ("FOCI") agreements could lead to a loss of our security clearance and certain government business and reputational harm. Selling to governmental and highly regulated entities can be highly competitive, expensive and time-consuming, often requiring significant upfront time and expense without any assurance that these efforts will generate a sale. Government contracting requirements may change and in doing so restrict our ability to sell into the government sector until we have attained any revised necessary certification or authorization. Government demand and payment for our products and services are affected by public sector budgetary cycles and funding authorizations, with funding reductions or delays adversely affecting public sector demand for our products and services. Such sales are made more difficult by the fact that many of our product design and life cycles are very long, compared to public fiscal budget calendars.

Further, governmental and highly regulated entities may demand contract terms that differ from our standard commercial arrangements, and those contract terms may be in some respects less favorable than terms agreed to by private sector customers. Governments routinely retain certain rights to IP developed in connection with government contracts. Such entities may have statutory, contractual or other legal rights to terminate contracts with us or our partners for convenience or for other reasons that are out of our control or influence. Any such terminations, or other adverse actions, may materially adversely affect our ability to contract with other government customers, as well as our reputation, results of operations, financial condition, business and prospects. In addition, our U.S. government contracts obligate us to comply with various cybersecurity requirements. These requirements include ongoing investment in systems, policies and personnel, and we expect these requirements to continue to impact our business in the future by increasing our legal, operational and compliance costs.

Certain of our government contracts require us to notify the applicable governmental actor and discuss options with the governmental actor before making certain potential transfers of intellectual property developed under those contracts, and certain of our government contracts impose specific limitations on our use and licensing of certain of our intellectual property. Additionally, production of sensitive, export-controlled products for governmental and highly regulated entities requires adherence to strict export and security controls. In the event of a breach or other security event involving one of these products, we may be subject to investigations to determine the extent and impact to such products, regulatory proceedings, litigation, mitigation and other actions, as well as penalties, fines, increased insurance premiums, indemnification expenditures and administrative, civil and criminal liabilities and reputational harm, each of which could negatively impact operations for multiple products and future business, cause production and sales delays and materially and adversely affect our results of operations, financial condition, business and prospects.

We may be exposed to liabilities if it is determined that our compensation arrangements do not comply with, or are not exempt from, Section 409A of the Code.

Section 409A ("Section 409A") of the Internal Revenue Code of 1986, as amended ("the Code"), sets forth the rules governing non-qualified deferred compensation arrangements. Section 409A contains many technical, complicated and ambiguous rules and regulations, including proposed but not yet finalized regulations that do not currently have the force of law, making compliance with Section 409A difficult to assess and to ensure. While we have attempted to structure our compensation arrangements (including our equity incentive awards) so that they either comply with, or are exempt from, Section 409A, it is possible that some of these compensation arrangements are not so exempt or compliant. In some instances, we have determined that amendments to certain of our compensation arrangements were advisable in order to mitigate or eliminate potential Section 409A non-compliance risk, though there can be no assurance that such amendments will mitigate or eliminate any such risk. If it is determined that any of our compensation arrangements are neither compliant with, nor exempt from, Section 409A, we may be subject to significant liabilities and costs, including penalties for failing to properly report deferred compensation arrangements under Section 409A and to withhold taxes payable by our service providers, including our employees, and we may be required to pay to the applicable governmental authorities the amount of taxes we should have withheld and related interest and penalties. In addition, those of our service providers, including our employees, participating in such arrangements may experience significant adverse tax consequences under Section 409A, including a 20% federal penalty tax imposed on the amount of compensation involved (and, as applicable, similar excise taxes under state law or foreign law). These liabilities may be significant and the imposition of such liabilities may materially affect our employee relations. In addition, in the event any such liabilities were imposed on our service providers, including our employees, we could decide to take remedial action, including making cash payments to adversely affected service

providers, including our employees. Any amounts so paid by us could materially and adversely affect our results of operations, financial condition, business and prospects.

Improper disclosure of confidential information could negatively impact our business.

In the ordinary course of our business, we maintain sensitive data on our networks, including our intellectual property and proprietary or confidential business information relating to our business and that of our customers and business partners. In addition, we regularly enter into confidentiality obligations with our customers, suppliers and parties that we license intellectual property to or from. The secure maintenance of this information is critical to our business and reputation. We have put in place policies, procedures and technological safeguards designed to protect the security of this information. However, we cannot guarantee that this information will not be improperly disclosed or accessed. Disclosure of this information could harm our reputation, subject us to liability under our contracts and harm our relationships with key counterparties, which could materially and adversely affect our results of operations, financial condition, business and prospects.

Risks Related to Manufacturing, Operations and Expansion

If we are unable to manage our capacity and production facilities effectively, our competitiveness may be weakened.

We perform long-term market demand forecasts for our products to manage, and plan for, our overall capacity. Because market conditions are dynamic, our market demand forecasts may change significantly at any time. During periods of decreased demand, certain manufacturing lines or tools in some of our manufacturing facilities may be idled or shut down temporarily, to save costs while preserving capacity. However, if subsequent demand increases rapidly, we may not be able to restore the capacity in a timely manner to take advantage of the upturn. In light of market demand forecasts, we have recently been adding capacity to meet market needs for our products. In some instances, we increase or otherwise manage capacity by transferring technologies from one location to another. Expansion of our capacity will increase our costs. For example, we will need to purchase additional equipment, and hire and train additional personnel to operate the new equipment. In case of a technology transfer, we may also need to source new tooling and materials, train personnel to learn and stabilize new processes and, depending on the technology, obtain government approval for such transfer. If demand does not increase as planned or expansion is delayed, we may not increase our net revenue accordingly, which could materially and adversely affect our results of operations, financial condition, business and prospects.

Because we own and operate high-tech manufacturing facilities, our operations have high costs that are fixed or difficult to reduce in the short term, including our costs related to utilization of existing facilities, facility construction and equipment, R&D, and the employment and training of a highly skilled workforce. To the extent demand decreases, capacity does not increase in time to meet demand or we fail to forecast demand accurately, we could be required to write off inventory or record underutilization charges, which would lower our gross margin. To the extent any demand decrease is prolonged, our manufacturing capacity could be underutilized, and we may be required to write down our long-lived assets, which would increase our expenses. We may also be required to shorten the useful life of under-used facilities and equipment and accelerate depreciation.

Our manufacturing processes are highly complex, costly and potentially vulnerable to impurities and other disruptions, and cost increases, that can significantly increase our costs and delay product shipments to our customers.

Our semiconductor manufacturing processes are highly complex, require advanced and costly equipment, difficult to transfer and are continuously being modified to improve manufacturing yields and product performance intended to improve or protect our ability to achieve our revenue and profit plan. Disruptions in manufacturing operations could be caused by numerous issues including impurities in our raw materials (such as chemicals, gases and wafers), supply chain changes to support expansion plans, facilities issues (such as electrical power and water outages), equipment failures (such as performance issues or defects) or IT issues (such as down computer systems and viruses). Any of these issues, and others, could lower production yields or interrupt manufacturing, which could result in the loss of products in process that could cause delivery delays, reduced revenue, increased cost or reduced quality delivered to our customers. These factors could significantly affect our financial results as well as our ability to attract new and retain existing customers.

In the past, we have encountered, among other issues:

- capacity constraints due to changes in product mix or the delayed delivery of equipment critical to our production;
- construction delays during expansions of our clean rooms and other facilities;
- difficulties in upgrading or expanding existing facilities;
- failure of manufacturing execution system or automatic transportation systems;
- unexpected breakdowns in manufacturing equipment and/or related facilities;

- disruptions in connection with changing, transferring or upgrading our process technologies;
- electrical power outages;
- raw materials shortages and impurities; and
- delays in delivery or shortages of spare parts used in the maintenance of our equipment.

If the above issues recur or we face similar challenges in the future, we may suffer delays in our ability to deliver our products, which could have a material and adverse effect on our results of operations, financial condition, business and prospects. In addition, we cannot guarantee that we will be able to increase our manufacturing capacity and efficiency in the future to the same extent as in the past. Additionally, increases in the costs of key inputs to fabs, including raw materials, electric power and water, could materially and adversely affect our results of operations, financial condition, business and prospects.

We are subject to risks associated with the development and implementation of new manufacturing technologies.

Production of ICs is a complex process. We are continually engaged in the development of new manufacturing process technologies and features. Forecasting our progress and schedule for developing new process technologies and features is challenging, and at times we encounter unexpected delays due to the complexity of interactions among steps in the manufacturing process, challenges in using new materials, and other issues. We may expend substantial resources on developing new technologies that are ultimately not successful, which may result in our recognizing significant impairment charges. Diagnosing defects in our manufacturing processes often takes a long time, as manufacturing throughput times can delay our receipt of data about defects and the effectiveness of fixes. We are not always successful or efficient in developing or implementing new technologies and manufacturing processes.

Our profit margin may substantially decline if we are unable to continually improve our manufacturing yields, maintain high shipment utilization or fail to optimize the process technology mix of our wafer production.

Our ability to maintain our profit margin depends, in part, on our ability to:

- maintain high capacity utilization;
- maintain or improve our production yields; and
- optimize the technology mix of our production by increasing the number of wafers manufactured by utilizing different processing technologies.

Our shipment utilization affects our operating results because a large percentage of our operating costs is fixed. Our manufacturing yields directly affect our ability to attract and retain customers, as well as the prices of our services. Different technologies load the available capacity differently, and an increase of lower margin product demand could lower the financial performance of a factory while still fully utilizing the available capacity. If we are unable to continuously maintain high capacity utilization, improve our manufacturing yields or optimize the technology mix of our wafer production, our profit margin may substantially decline.

Our manufacturing processes are highly complex, require advanced and costly equipment and are continuously being modified in an effort to improve yields and product performance. Minute impurities or other difficulties in the manufacturing process can lower yields. Further, at the beginning of each semiconductor technological upgrade, the manufacturing yield utilizing the new technology may be lower than the yield under current technology. Our manufacturing efficiency is an important factor in our profitability, and we cannot assure you that we will be able to maintain our manufacturing efficiency or increase manufacturing efficiency to the same extent as our competitors.

In addition, as is common in the semiconductor industry, we have from time to time experienced difficulty in effecting transitions to new manufacturing processes. As a consequence, we may suffer delays in product deliveries or reduced yields. We may experience manufacturing problems in achieving acceptable yields or experience product delivery delays in the future as a result of, among other things, capacity constraints, upgrading or expanding our existing facilities or changing our process technologies, any of which could materially and adversely affect our results of operations, financial condition, business and prospects.

We may be unable to obtain manufacturing equipment in a timely manner and at a reasonable cost that is necessary for us to remain competitive.

Our operations and ongoing revenue expansion plans depend on our ability to obtain complex and specialized manufacturing equipment and related services from a limited number of suppliers in a market that is characterized from time to time by limited supply and long delivery cycles. During such times, supplier-specific or industry-wide lead times for delivery can be as long as twelve months or more. Further, growing complexities of the most valuable equipment may delay

the timely delivery of such equipment and parts needed to capitalize on time-sensitive and perishable business opportunities. Industry-wide demand increases for this equipment could increase its market price as well as the market price of replacement parts and consumable materials needed to operate the equipment. As a result of demand driven by the semiconductor supply shortage, as well as significant new sources of funding in China as well as potentially other governments (such as Korea, the United States and Europe), the current demand for semiconductor manufacturing equipment and equipment supply constraints are resulting in longer than normal lead times for such equipment. If we are unable to obtain equipment in a timely manner to fulfill our customers' demand on technology and production capacity, or at a reasonable cost, we may be unable to meet commitments under our contracts with customers, which could expose us to substantial liquidated damages and other claims and could materially and adversely affect our results of operations, financial condition, business and prospects.

If we are unable to obtain adequate supplies of raw materials in a timely manner and at commercially reasonable prices our revenue and profitability may decline.

Our production operations require that we obtain adequate supplies of raw materials, such as silicon wafers, gases, chemicals and photoresist, on a timely basis and at commercially reasonable prices, many of which are not commodities easily replaced with substitutions. In the past, shortages in the supply of some materials, whether by specific vendors or by the industry generally, have resulted in occasional industry-wide price adjustments and delivery delays. Moreover, major natural disasters, trade barriers and political or economic turmoil occurring within the country of origin of such raw materials may also significantly disrupt the availability of such raw materials or increase their prices. Further, since we procure some of our raw materials from sole-sourced suppliers, there is a risk that our need for such raw materials may not be met or that back-up supplies may not be readily available. In addition, recent trade tensions between the United States and China could result in increased prices or the unavailability of raw materials, including rare earth metals used in our products. Tariffs, export control or other non-tariff barriers, due to global or local economic conditions could also affect material cost and availability.

Certain raw materials and other inputs, such as electricity and water, necessary for our production operations may experience substantial price volatility. Hedging transactions for many of those raw materials and other inputs are not available to us, or are not available on terms we believe are commercially acceptable. Hedges that we enter into with respect to certain inputs, such as electricity, may not be effective. Additionally, once our prices with a customer are negotiated, we are generally unable to revise pricing with that customer until our next regularly scheduled price adjustment. As a result, if market prices for essential components increase, we will often be unable to pass the price increases through to our customers for products purchased under an existing agreement. Consequently, we are exposed to the risks associated with the volatility of prices for these components and our cost of revenue could increase and our gross margins could decrease in the event of price increases. Recently, as a result of demand driven by the semiconductor supply shortage, the costs of raw wafers as well as certain other raw materials are relatively high. Failure to obtain adequate supplies could result in our being unable to meet commitments under our contracts with customers, which could expose us to substantial liquidated damages and other claims, which could materially and adversely affect our results of operations, financial condition, business and prospects.

Failure to adjust our supply chain volume due to changing market conditions or failure to estimate our customers' demand could adversely affect our sales and could result in additional charges for obsolete or excess inventories or non-cancelable purchase commitments.

We make significant decisions, including determining the levels of business that we will seek and accept, production schedules, personnel needs and other resource requirements, based on our estimates of customer requirements. The possibility of rapid changes in demand for our customers' products reduces our ability to accurately estimate our customers' future requirements for our products. On occasion, our customers may require rapid increases in production, which can challenge our resources. We may not have sufficient capacity at any given time to meet our customers' demands. Conversely, downturns in the semiconductor industry have in the past caused and may in the future cause our customers to significantly reduce the amount of products ordered from us. Because many of our sales, R&D, and manufacturing expenses are relatively fixed, a reduction in customer demand may decrease our gross margins and operating income, which could materially and adversely affect our results of operations, financial condition, business and prospects.

In addition, we base many of our operating decisions, and enter into purchase commitments, on the basis of anticipated sales, which are highly unpredictable. Some of our purchase commitments are not cancelable, and in some cases we are required to recognize a charge representing the amount of material or capital equipment purchased or ordered that exceeds our actual requirements. For example, we have non-cancelable purchase commitments with vendors and long-term supply agreements with certain of our third-party wafer fabrication partners, under which we are required to purchase a minimum number of wafers per year or face financial penalties. These types of commitments and agreements could reduce our ability to adjust our inventory to address declining market demands. If demand for our products is less than we expect, we may experience additional excess and obsolete inventories and be forced to incur additional charges. If sales in future periods fall substantially below our expectations, or if we fail to accurately forecast changes in demand mix, we could again be required to record substantial charges for obsolete or excess inventories or non-cancelable purchase commitments.

Moreover, during a market upturn, we may not be able to purchase sufficient supplies or components to meet increasing product demand, which could prevent us from taking advantage of opportunities and reduce our sales. In addition, a supplier could discontinue a component necessary for our design, extend lead times, limit supply or increase prices due to capacity constraints or other factors. Our failure to adjust our supply chain volume or estimate our customers' demands could materially and adversely affect our results of operations, financial condition, business and prospects.

Until recently, as a result of current market conditions, we did not typically operate with any significant backlog, except in periods of capacity shortage. The historic lack of significant backlog and the unpredictable length and timing of semiconductor cycles made it more difficult for us to accurately forecast revenue in future periods. Additionally, as we now face more significant backlog, it may not necessarily be indicative of actual sales for any succeeding period. Moreover, our expense levels are based in part on our expectations of future revenue, and we may be unable to fully adjust costs in a timely manner to compensate for revenue shortfalls.

Certain of our debt agreements contain covenants that may constrain the operation of our business, and our failure to comply with these covenants could materially and adversely affect our results of operations, financial condition, business and prospects.

Restrictive covenants in our credit facilities may prevent us from pursuing certain transactions or business strategies, including by limiting our ability to, in certain circumstances:

- incur additional indebtedness;
- pay dividends or make distributions;
- acquire assets or make investments outside of the ordinary course of business;
- sell, lease, license, transfer or otherwise dispose of assets;
- enter into transactions with our affiliates;
- create or permit liens;
- guarantee indebtedness; and
- engage in certain extraordinary transactions.

Failure to comply with any of the covenants in our debt agreements, including due to events beyond our control, could result in an event of default. The holders of the defaulted debt could terminate commitments to lend and accelerate amounts outstanding to be due and payable immediately. This could also result in cross-defaults under our other debt instruments, significantly impacting our liquidity and ability to fund our operations. Any of these occurrences could materially and adversely affect our results of operations, financial condition, business and prospects.

Aging infrastructure, power grids and risks to the supply of fresh water or natural gas could interrupt production.

The semiconductor fabrication process requires extensive amounts of fresh water and a stable source of electricity and natural gas. In addition, it requires effective facilities to manage wastewater. As our production capabilities and our business grow, our requirements for these factors will grow substantially. Although we have not, to date, experienced any instances of lack of sufficient supplies of water or natural gas or material disruptions in the electricity supply to, or wastewater processing capacity of, any of our fabs beyond temporary or short-term stoppages, we may not have access to sufficient supplies of water, natural gas, electricity or wastewater processing capacity to accommodate our planned growth. Droughts, pipeline interruptions, power interruptions, electricity shortages, geopolitical tensions, or government intervention, particularly in the form of rationing, are factors that could restrict our access to these utilities in the areas in which our fabs are located. If there is an insufficient supply of fresh water, natural gas, electricity or wastewater processing capacity to satisfy our requirements, we may need to limit or delay our production. In addition, a power outage, even of very limited duration, could result in a loss of wafers in production and a deterioration in yield. Any of these occurrences could materially and adversely affect our results of operations, financial condition, business and prospects.

We may be subject to the risk of loss due to fire because the materials we use in our manufacturing processes are highly flammable.

We use highly flammable materials such as silane and hydrogen in our manufacturing processes and may therefore be subject to the risk of loss arising from fires. The risk of fire associated with these materials cannot be completely eliminated. We maintain insurance policies to reduce losses caused by fire, including business interruption insurance. However, our insurance coverage is subject to deductibles and self-insured retention and may not be sufficient to cover all of our potential losses. If any of our fabs were to be damaged or cease operations as a result of a fire, our manufacturing capacity would be reduced, which could materially and adversely affect our results of operations, financial condition, business and prospects.

Our operations are subject to the risks of earthquakes, fires, floods, severe weather incidents and other natural catastrophic events, and to interruption by man-made problems such as power disruptions, industrial accidents, or terrorism.

Significant natural disasters such as earthquakes, fires, floods, severe weather incidents or acts of terrorism occurring in any of our manufacturing or office locations, or where a business partner, such as a customer or supplier, is located, could adversely affect our operational and financial performance. In addition, natural disasters, spills or hazardous exposure incidents, accidents and acts of terrorism could cause disruptions in our business or our suppliers' or customers' businesses, national economies or the global economy as a whole, and we may not have insurance coverage for these matters. Our operations, as well as our computing systems, are vulnerable to interference, or interruption from terrorist attacks, natural disasters or pandemics (including COVID-19), the effects of climate change (such as sea level rise, drought, flooding, wildfires, and increased storm severity), power loss, telecommunications failures, criminal fraud or impersonation, inadvertent or intentional actions by our employees, or other attempts to harm or access our systems. In the event of a major disruption caused by a natural disaster or any of the foregoing, we may be unable to continue our operations and may endure system interruptions, reputational harm, delays in our development activities, lengthy interruptions in service, breaches of data security and loss of critical data or personal information, any of which could materially and adversely affect our results of operations, financial condition, business and prospects. We are also at risk of data breaches, as further described below.

The risk of cyberattacks and other data security breaches requires us to incur significant costs to maintain the security of our networks and data, and, in the event of such breaches, may expose us to liability, adversely affect our operations, damage our reputation, and affect our net revenue and profitability, and our efforts to combat breach and misuse of our systems and unauthorized access to our data may not be successful.

We rely on our IT systems and those of our service providers to conduct much of our business operations. Our and our service providers' IT and computer systems store and transmit customer information, trade secrets, corporate data and personal information, and are otherwise essential to the operation of our production lines, which may make us a target for cyberattacks. In addition, our accreditation as a Trusted Foundry by the Defense Microelectronics Activity ("DMEA") and our processing of sensitive information may make us an attractive target for attacks, including industrial or nation-state espionage, organized criminals, and terrorist cyberattacks. Hackers may seek to disrupt our operations, blackmail us to regain control of our systems, or spy on us for sensitive information. Further, we depend on our employees and the employees of our service providers to appropriately handle confidential and sensitive data and deploy our IT resources in a safe and secure manner that does not expose our network systems to security breaches or the loss of data. However, there is always a risk that inadvertent disclosure or actions or internal malfeasance by our employees or those of our service providers could result in a loss of data or a breach or interruption of our IT systems.

We are making significant investments in cybersecurity and data security, as well as other efforts to combat breach and misuse of our systems and unauthorized access to our and our customers' data by third parties. While we seek to continuously review and assess our cybersecurity policies and procedures to ensure their adequacy and effectiveness, all IT and computer systems are vulnerable to attacks, especially via methods that have not been observed yet or quickly evolve. The risk of security breaches may be higher during times of a natural disaster or pandemic (including COVID-19) due to remote working arrangements. We cannot guarantee that our IT and computer systems which control or maintain vital corporate functions, such as our manufacturing operations and enterprise accounting, would be immune to cyberattacks. In the event of a serious cyberattack, our systems may lose important customer information, trade secrets, corporate data or personal information or our production lines may be shut down pending the resolution of such an attack.

In addition, we employ certain third-party service providers for us and our affiliates worldwide with whom we need to share highly sensitive and confidential information to enable them to provide the relevant services. While, to date, we have not been subject to cyberattacks which, individually or in the aggregate, have been material to our operations or financial conditions, some of our third-party service providers have experienced cyberattacks of which we have been made aware.

Despite requiring certain third-party service providers to comply with the confidentiality and security requirements in our service agreements with them, there is no assurance that each of them will strictly fulfill any of their obligations or that they will be successful in preventing further cyberattacks. The on-site network systems and the off-site cloud computing networks such as servers maintained by these service providers and/or their contractors are also subject to risks associated with cyberattacks. While we attempt to take prompt action once we are alerted to a cyberattack against one of our third-party service providers and implement steps designed to mitigate associated risks to our systems and data, we may in the future not be made aware of such events in a timely manner or may be unable to successfully sever network connectivity or otherwise limit the risk to our own systems.

If we or our service providers are not able to timely contain, remediate and resolve the respective issues caused by cyberattacks and data breaches, or ensure the integrity and availability of our systems and data (or data belonging to our

customers or other third parties) or control of our or our service providers' IT or computer systems, then such attacks, breaches or failures could:

- disrupt the proper functioning of these networks and systems and, therefore, our operations and/or those of certain of our customers;
- result in the unauthorized access to, and destruction, loss, theft, misappropriation or release of, proprietary, confidential, sensitive or otherwise valuable information of ours, our customers or our employees, including trade secrets, which could be used to compete against us or for disruptive, destructive or otherwise harmful purposes and outcomes;
- result in litigation and governmental investigation and proceedings that could expose us to civil or criminal liabilities;
- compromise national security and other sensitive government functions;
- require significant management attention and resources to remedy the damages that result;
- result in our incurring significant expenses in implementing remedial and improvement measures to enhance our IT network or computer systems;
- result in costs which exceed our insurance coverage and/or indemnification arrangements;
- subject us to claims for contract breach, damages, credits, penalties or termination; and
- damage our reputation with our customers (including the U.S. government) and the general public.

Further, remediation efforts may not be successful and could result in interruptions, delays or cessation of service, unfavorable publicity, damage to our reputation, customer allegations of breach-of-contract, possible litigation, and loss of existing or potential customers that may impede our sales or other critical functions. Additionally, any such attack or unauthorized access may require spending resources on correcting the breach and indemnifying the relevant parties and litigation, regulatory investigations, regulatory proceedings, increased insurance premiums, lost revenue, penalties fines and other potential liabilities, which could materially and adversely affect our results of operations, financial condition, business and prospects.

Any of the foregoing factors could materially and adversely affect our results of operations, financial condition, business and prospects.

Compliance with applicable data security and data privacy laws and regulations may be costly and, in the case of a breach of applicable law, could harm our reputation.

In the United States, federal and state laws impose limits on, or requirements regarding the collection, distribution, use, security and storage of personal information of individuals, and there has been increased regulation of data privacy and security particularly at the state level, including the California Consumer Privacy Act (effective on January 1, 2020), and the California Privacy Rights Act (expected to take effect on January 1, 2023). Currently, many states are actively considering or enacting similar laws and we operate in many of these jurisdictions. Outside the United States, the European Union and other countries in which we operate also have privacy and data protection laws, regulations and standards.

The interpretation and application of many of these existing or recently enacted laws and regulations are increasingly complex, uncertain and fluid, and could be inconsistent with our existing data management practices. For example, recent developments in Europe have created complexity and uncertainty regarding transfers of personal data from the EEA and the UK to the United States and other jurisdictions. Furthermore, the long-term regulation of data transfers between the EEA and the UK is uncertain, as a relevant adequacy decision enabling such transfers is due to expire. These developments could lead to substantial costs, require significant changes, divert the attention of our technology personnel, adversely affect our margins, increase costs and subject us to additional liabilities. If we are unable to transfer personal data between and among countries and regions in which we operate, it could affect the geographical location or segregation of our relevant systems and operations, and could adversely affect our financial results. In addition, the existing EU and UK privacy laws on cookies and e-marketing are also in flux and are likely to be replaced by new regulations, which may introduce more stringent requirements for using cookies and similar technologies for direct marketing and significantly increase fines for non-compliance in-line with the General Data Protection Regulation ("GDPR"). Stricter enforcement of such laws could limit the effectiveness of our marketing activities, divert the attention of our technology personnel, increase costs and subject us to additional liabilities.

Inappropriate disclosure of personal and other sensitive data, even if inadvertent, or other actual or perceived violations of or noncompliance with such laws and regulations could expose us to significant administrative, civil or criminal liability as well as reputational harm. For example, a breach of the GDPR could result in fines of up to 20 million euros ("EUR") under the European GDPR or British pound sterling ("GBP") 17.5 million under the U.K. GDPR or up to 4% of the annual global revenue of the infringer, whichever is greater, as well as regulatory investigations, reputational damage, orders to cease or change our processing of personal data, enforcement notices and/or assessment notices (for a compulsory audit). Privacy-

related claims or lawsuits initiated by governmental bodies, employees or other third parties, whether meritorious or not, could be time-consuming, result in costly regulatory proceedings, litigation, penalties and fines, or require us to change our business practices, sometimes in expensive ways, or other potential liabilities.

Additionally, a failure to comply with the National Institute of Standards and Technology Special Publication 800-171 or the DoD's cybersecurity requirements, including the Cyber Security Material Model Certificate ("CMMC"), which will require all contractors to receive specific third-party cybersecurity certifications to be eligible for contract awards, could restrict our ability to bid for, be awarded and perform on DoD contracts. The DoD expects that all new contracts will be required to comply with the CMMC by 2026, and initial requests for information and for proposal have already begun. We are in the process of evaluating our readiness and preparing for the CMMC. To the extent we, or our subcontractors or other third parties on whom we rely are unable to achieve certification in advance of contract awards that specify the requirement, we may be unable to bid on contract awards or follow-on awards for existing work with the DoD, which could materially and adversely affect our results of operations, financial condition, business and prospects. We will also be required to go through a recertification process every two years. In addition, any obligations that may be imposed on us under the CMMC may be different from or in addition to those otherwise required by applicable laws and regulations, which may cause additional expense for compliance.

Our products may contain defects that could harm our reputation, be costly to correct, delay revenue and expose us to litigation.

Our products are highly complex and sophisticated and, from time to time, may contain defects, errors, hardware failures or other failures that are difficult to detect and correct. Errors, defects and other failures may be found in new solutions, products or services or improvements to existing solutions, products or services after delivery to our customers. If these defects, errors and failures are discovered, we may not be able to successfully correct them in a timely manner or otherwise mitigate or eliminate the impact of the error or failure. The occurrence of errors, defects and other failures in our products could result in the delay or the denial of market acceptance of our products and alleviating such errors, defects and other failures may require us to make significant expenditure of our resources. Our products are often used for critical business processes and as a result, any defect in or failure of our products may cause customers to reconsider renewing their contract with us, cause significant customer dissatisfaction and possibly giving rise to claims for indemnification or other monetary damages. The harm to our reputation resulting from errors, defects and other failures may be material. Any claims for actual or alleged losses to our customers' businesses may require us to spend significant time and money in litigation or arbitration or to pay significant settlements or damages. Defending a lawsuit, regardless of merit, can be costly and divert management's attention and resources. Accordingly, any such claim could materially and adversely affect our results of operations, financial condition, business and prospects.

Any problem in the semiconductor outsourcing infrastructure could materially and adversely affect our results of operations, financial condition, business and prospects.

Many of our customers depend on third parties to provide assembly, testing and other related services. Many of these services are geographically concentrated primarily in Asia. If these customers cannot timely obtain those services on reasonable terms, they may not order foundry products and services from us, which could materially and adversely affect our results of operations, financial condition, business and prospects.

Risks Related to Intellectual Property

Any failure to obtain, maintain, protect or enforce our intellectual property and proprietary rights could impair our ability to protect our proprietary technology and our brand.

Our success depends to a significant degree on our ability to obtain, maintain, protect and enforce our intellectual property rights. We rely on a combination of patents, trade secrets, copyrights, trademarks, service marks, and other forms of intellectual property, contractual restrictions and confidentiality procedures to establish and protect our proprietary rights. However, the steps we take to obtain, maintain, protect and enforce our intellectual property rights may be inadequate. We may not be able to protect our technology, know-how, and/or brand if we are unable to enforce our rights for whatever reason or if we do not detect unauthorized use of our intellectual property rights. If we fail to protect our intellectual property rights adequately, our competitors may gain access to our proprietary technology and develop and commercialize substantially similar products, services or technologies, which could materially and adversely affect our results of operations, financial condition, business and prospects.

We have filed various applications for certain aspects of our intellectual property in the United States and other countries, and we have built a comprehensive patent portfolio of approximately 9,000 worldwide patents. In the future, we may acquire additional patents or patent portfolios, license patents from third parties or agree to license the technology of third parties, which could require significant cash expenditures. Our patents do not cover all of our technologies, systems, products and product components and our competitors or others may design around our patented technologies. Further, when we seek patent protection for a particular technology, there is no assurance that the applications we file will result in

issued patents or that if patents do issue as a result that they will be found to be valid and enforceable or that they will effectively block competitors from creating competing technology. In addition, we may need to license technology from third parties to develop and market new products and we cannot be certain that we could license that technology on commercially reasonable terms or at all. Our inability to license this technology could harm our ability to compete and materially and adversely affect our results of operations, financial condition, business and prospects.

Some of our know-how or technology is not patented or patentable and may constitute trade secrets. To protect our trade secrets, we have a policy of requiring our employees, consultants, advisors and other collaborators who contribute to our material intellectual property to enter into confidentiality agreements. We also rely on customary contractual protections with our suppliers and customers, and we implement security measures intended to protect our trade secrets, know-how and other proprietary information. However, no assurances can be given that those contracts will not be breached. Further, those contracts and arrangements may be ineffective in protecting our intellectual property and may not prevent unauthorized disclosure. See also "—There is a risk that our trade secrets, know-how and other proprietary information will be stolen, used in an unauthorized manner, or compromised, which could materially and adversely affect our results of operations, financial condition, business and prospects." In addition, third parties may independently develop technologies that may be substantially equivalent or superior to our technology.

There is a risk that our trade secrets, know-how and other proprietary information will be stolen, used in an unauthorized manner, or compromised, which could materially and adversely affect our results of operations, financial condition, business and prospects.

Our trade secrets, know-how and other proprietary information may be stolen, used in an unauthorized manner, or compromised through a direct intrusion by private parties or foreign actors, including those affiliated with or controlled by state actors, through cyber intrusions into our computer systems, physical theft through corporate espionage or other means, or through more indirect routes, including by joint venture partners, licensees that do not honor the terms of the license, potential licensees that were ultimately not licensed, or other parties reverse engineering our company's solutions, products or components. Any of the foregoing factors could materially and adversely affect our results of operations, financial condition, business and prospects.

The laws of some foreign countries may not be as protective of intellectual property rights as those in the United States, and mechanisms for enforcement of intellectual property rights may be inadequate.

The absence of internationally harmonized intellectual property laws and different enforcement regimes makes it more difficult to ensure consistent protection of our proprietary rights. Our strong international presence may lead to increased exposure to unauthorized copying and use of our manufacturing technologies and proprietary information. Moreover, policing unauthorized use of our technologies, trade secrets, and intellectual property may be difficult, expensive and time-consuming, particularly in foreign countries where the laws may not be as protective of intellectual property rights as those in the United States and where mechanisms for enforcement of intellectual property rights may be weak. Accordingly, despite our efforts, we may be unable to prevent third parties from infringing upon, misappropriating or otherwise violating our intellectual property rights. Our inability to secure or enforce our intellectual property rights could materially and adversely affect our results of operations, financial condition, business and prospects.

We have been and may continue to become subject to intellectual property disputes, which are costly and may subject us to significant liability and increased costs of doing business.

The semiconductor industry is subject to claims of infringement by patent owners and is characterized by frequent litigation regarding patent rights. From time to time, we receive communications from third parties that allege that our products or technologies infringe their patent or other intellectual property rights and we have had patent infringement lawsuits filed against us claiming that certain of our products, services, or technologies infringe the intellectual property rights of others. We may continue to become subject to such intellectual property disputes in the future. Further, we have entered into licenses, including patent licenses with third parties in settlements of claims or in order to avoid intellectual property disputes and the loss of license rights, including as a result of a termination or expiration of such licenses, may limit our ability to use certain technologies in the future, which could cause us to incur significant costs, prevent us from commercializing certain of our products or otherwise have a material adverse effect on us. In addition, there may be issued patents held by third parties that, if found to be valid and enforceable, could be alleged to be infringed by our current or future technologies or products. There also may be pending patent applications of others that may result in issued patents, which could be alleged to be infringed by our current or future technologies or products.

In order to protect our intellectual property rights, we may be required to spend significant resources to monitor and protect those rights. Litigation brought to protect and enforce our intellectual property rights could be costly, time-consuming and distracting to management. Further, our efforts to enforce our intellectual property rights may be met with defenses, counterclaims and countersuits attacking the validity and enforceability of our intellectual property rights, and if such defenses, counterclaims or countersuits are successful, we could lose valuable intellectual property rights. Our inability to protect our proprietary technology against unauthorized copying or use, as well as any costly litigation or diversion of our

management's attention and resources, could delay the implementation of our manufacturing technologies, delay introductions of new solutions or injure our reputation and could have a material and adverse effect on our results of operations, financial condition, business and prospects.

Further, many of our agreements with our customers and partners, the terms of which often survive termination or expiration of the applicable agreement, require us to defend such parties against certain intellectual property infringement claims and indemnify them for damages and losses arising from certain intellectual property infringement claims against them, which have in the past resulted, and could in the future result, in increased costs for defending such claims or significant damages if there is an adverse ruling in any such claims. These defense costs and indemnity payments could materially and adversely affect our results of operations, financial condition, business and prospects. Such customers and partners may also discontinue the use of our products, services, and solutions, as a result of injunctions or otherwise, which could result in loss of revenue and adversely affect our business. We may also have to seek a license for the technology, which may not be available on reasonable terms, if at all, and may significantly increase our operating expenses or may require us to restrict our business activities and limit our ability to develop and deliver our products. As a result, we may also be required to develop alternative non-infringing technology, which could require significant effort and expense or which may not be possible, which could negatively affect our business. Moreover, intellectual property indemnities provided to us by our suppliers, when obtainable, may not cover all damages and losses suffered by us and our customers arising from intellectual property infringement claims. Even if we were to prevail in such a dispute, any litigation regarding our intellectual property could be costly and time-consuming and divert the attention of our management and key personnel from our business operations.

Any of the foregoing factors could materially and adversely affect our results of operations, financial condition, business and prospects.

Our success depends, in part, on our ability to develop and commercialize our technology without infringing, misappropriating or otherwise violating the intellectual property rights of third parties and we may not be aware of such infringements, misappropriations or violations.

Third parties may bring claims alleging infringement, misappropriation or violation of intellectual property rights. We cannot guarantee that we have not, do not or will not infringe, misappropriate or otherwise violate the intellectual property rights of others. Our technologies may not be able to withstand any third-party claims against their use. In addition, some companies may have the capability to dedicate substantially greater resources to enforce their intellectual property rights and to defend claims that may be brought against them. Furthermore, third parties have and may continue to assert infringement claims against us in the future, including the sometimes aggressive and opportunistic actions of non-practicing entities whose business model is to obtain patent-licensing revenue from operating companies such as us. Regardless of the merit of such claims, any claim that we have violated intellectual property or other proprietary rights of third parties, whether or not it results in litigation, is settled out of court or is determined in our favor, could be expensive and time-consuming, and could divert the time and attention of management and technical personnel from our business. The litigation process is subject to inherent uncertainties, and we may not prevail in litigation matters regardless of the merits of our position. In some jurisdictions, plaintiffs can also seek injunctive relief that may limit the operation of our business or prevent the marketing and selling of our services that infringe or allegedly infringe on the plaintiff's intellectual property rights. If a third party is able to obtain an injunction preventing us from using our technology, accessing third-party intellectual property rights, or if we cannot license or develop alternative technology for any infringing aspect of our business, we could be forced to limit or stop manufacturing activities or sales of our products or cease other business activities related to such intellectual property. To resolve these claims, we may enter into licensing agreements with restrictive terms or significant fees, stop selling our products or services or be required to implement costly or inferior redesigns to the affected products or services, or pay damages to satisfy contractual obligations to others. If we do not resolve these claims in advance of a trial, there is no guarantee that we will be successful in court. These outcomes could materially and adversely affect our results of operations, financial condition, business and prospects.

We may be unable to provide technology to our customers if we lose the support of our technology partners.

Enhancing our manufacturing process technologies is critical to our ability to provide services for our customers. We intend to continue to advance our process technologies through internal R&D and alliances with other companies. In addition to our internal R&D focused on developing new and improved semiconductor manufacturing process technologies, our business involves collaboration, including customization and other development of technologies and intellectual property, with and for our customers, vendors and other third parties. We frequently enter into agreements with customers, vendors, equipment suppliers and others that involve customization and other development of technologies and intellectual property. As a result of these agreements, we may be required to limit use of, or refrain from using, certain technologies and intellectual property rights in parts of our business. Determining inventorship and ownership of technologies and intellectual property rights resulting from development activities can be difficult and uncertain.

Disputes may arise with customers, vendors and other third parties regarding ownership of and rights to use and enforce these technologies and intellectual property rights or regarding interpretation of our agreements with these third

parties, and these disputes may result in claims against us or claims that intellectual property rights are not owned by us, are not enforceable, or are invalid. The cost and effort to resolve these types of disputes, or the loss of rights in technologies in intellectual property rights if we lose these types of disputes, could harm our business and financial condition. In addition, our customers, vendors and other third parties may suffer delays, quality issues, or other problems affecting their development activities and ability to supply us with certain technology and intellectual property, which could adversely affect our business and operating results. Further, if we are unable to continue any of our joint development arrangements or other agreements, on mutually beneficial terms, or if we cannot re-evaluate the technological and economic benefits of such relationships with these partners, vendors or suppliers in a timely manner sufficient to support our ongoing technology development, we may be unable to continue providing our customers with leading edge or differentiated mass-producible process technologies and may, as a result, lose important customers, which could have a materially adverse effect on our results of operations, financial condition, businesses and prospects.

Risks Related to Strategic Transactions

We are in the process of divesting our East Fishkill ("EFK") facility to ON Semiconductor as part of a transaction we entered into in 2019. Failure to successfully manage the divestment of that asset in a timely manner may adversely affect our operations and have a material impact on our cost savings initiatives.

In April 2019, we entered into an Asset Purchase Agreement with Semiconductor Components Industries, LLC ("ON Semiconductor") pursuant to which we agreed to transfer substantially all the assets and employees related to our EFK facility in return for $400 million in consideration and $30 million for a technology license. ON Semiconductor paid $100 million upon signing, which included $30 million for the technology license, and an additional $100 million in 2020. We expect the completion of the sale will occur, subject to regulatory approvals, at the end of 2022. The transaction excluded the transfer of our commercial customer arrangements. Since the transaction was entered into, we have transferred a number of technologies from the EFK facility to our other global manufacturing sites to ensure continuous supply to key customers. In order to facilitate these transfers, we and ON Semiconductor have agreed to provide transition services, including reciprocal supply agreements and technology transfer and intellectual property licensing agreements. Pursuant to the Asset Purchase Agreement, we also agreed to transition approximately 1,000 employees to ON Semiconductor. While we do not anticipate issues related to the transfer and anticipate satisfying all the conditions to closing as set forth in the agreements, the divestment has taken and will continue to require management time and attention and, if for any reason, we fail to complete the transfer on a timely manner or at all or ON Semiconductor fails to fulfill its obligations under the applicable agreements, we may not be able to realize our anticipated benefits, including cost savings, related to the divestment, which could materially and adversely affect our results of operations, financial condition, business and prospects.

We may make strategic acquisitions, and such acquisitions may introduce significant risks and uncertainties, including risks related to integrating the acquired companies, assets or businesses.

We have in the past sought, and may in the future seek, to acquire or invest in businesses, joint ventures and technologies that we believe could complement or expand our capacity, enhance our technology offerings or otherwise offer growth opportunities. These efforts may divert the attention of management and cause us to incur various expenses in identifying, investigating and pursuing suitable opportunities, whether or not the transactions are completed, and may result in unforeseen operating difficulties and expenditures. These transactions, particularly acquisitions, may be subject to regulatory approvals, including approval from the Committee on Foreign Investment in the United States ("CFIUS") and approvals from antitrust authorities. With regard to CFIUS, our transactions may be more likely to require CFIUS review given the expansion of CFIUS jurisdiction to critical technologies. Failure to obtain CFIUS approval, as applicable, and other required regulatory approvals may delay or otherwise limit our ability to make strategic transactions. Our integration efforts may periodically expose deficiencies in the controls and procedures relating to cybersecurity and the compliance with data privacy and protection laws, regulations and standards of an acquired company or business that were not identified in our due diligence undertaken prior to consummating the acquisition. Additionally, we may encounter difficulties assimilating or integrating the businesses, technologies, products, personnel or operations of any acquired companies, particularly if the key personnel of an acquired company cannot be retained, or we have difficulty preserving the customers of any acquired business. Any such transactions that we are able to complete may not result in the synergies or other benefits we expected to achieve, which could result in substantial impairment charges. These transactions could also result in dilutive issuances of equity securities or the incurrence of debt, which could adversely affect our results of operations. Any of the foregoing factors could materially and adversely affect our results of operations, financial condition, business and prospects.

Political, Regulatory and Legal Risks

Environmental, health and safety laws and regulations expose us to liability and risk of non-compliance, and any such liability or non-compliance could adversely affect our business.

In each jurisdiction in which we operate, our operations are subject to diverse environmental, health and safety laws and regulations that govern, among other things, emissions of pollutants into the air, wastewater discharges, the use and handling of hazardous substances, waste disposal, the investigation and remediation of soil and ground water contamination

and the health and safety of our employees. Semiconductor manufacturing depends on a wide array of process materials, including hazardous materials that are subject to local, state, national or international regulations. These materials, our manufacturing operations and our products and services are subject to diverse environmental, health and safety laws, regulations and regulatory requirements. Sourcing of materials could also present reputational risks if our direct or indirect suppliers are found to be in violation of environmental health and safety regulations, or of ethical or human rights regulations or standards.

Regulatory changes, including restrictions on new or existing materials critical to our manufacturing processes, such as per- and polyfluoroalkyl substances, increased restrictions related to wastewater, air emissions and hazardous substances, or changes to necessary permitting requirements, could cause disruptions to our operations or necessitate additional costs or capital expenditures, such as those associated with identifying and qualifying substitute materials or processes, or with installing additional controls related to wastewater, air emissions or waste management. Regulatory limitations or restrictive covenants at contaminated properties could affect our ability to expand manufacturing operations or capacities and may affect our ability to import materials or equipment.

Industrial accidents or releases, including those associated with storage, use, transportation or disposal of hazardous materials or wastes, could expose us to liabilities or remediation obligations and we may not have insurance coverage for such matters. Non-compliance with environmental, health and safety regulations or associated permit requirements may result in liabilities or monetary penalties. Non-compliance with or public controversy regarding environmental, health and safety matters could result in reputational harm.

Certain environmental laws, including the Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act and state equivalents, make us potentially liable on a strict, joint and several basis for the investigation and remediation of contamination at, or originating from, facilities that are currently or formerly owned or operated by us and third-party sites to which we send or have sent materials for disposal or materials for recycling, along with related natural resources damages. We could become subject to potential material liabilities for the investigation and cleanup of historic contamination on the U.S. properties where we operate should the currently responsible parties cease their ongoing remediation efforts notwithstanding their contractual obligations to us.

Regulations and customer-imposed requirements in response to climate change could result in additional costs related to changes in process materials, control of process emissions, “carbon taxes” or related fees, and sourcing of energy supplies. Increased frequency of extreme weather events, and chronic conditions like higher temperatures and droughts could cause disruptions to our manufacturing facilities, non-manufacturing operations and supply chain.

We have policies, controls, and procedures designed to help ensure compliance with applicable laws, including as part of our Environmental, Social and Governance (“ESG”) initiatives. However, there can be no assurance that our employees, contractors, suppliers or agents will not violate such laws or our policies. Violations of these laws and regulations can result in fines, criminal sanctions against us, our officers, or our employees, prohibitions on the conduct of our business, and damage to our reputation. Any of the foregoing factors could materially and adversely affect our results of operations, financial condition, business and prospects.

We are subject to anti-corruption, anti-bribery, anti-money laundering, counter-terrorist financing laws and similar laws and regulations, and non-compliance with such laws, regulations and standards can subject us to administrative, criminal or civil liability and harm our business, financial condition, results of operations and reputation.

We are subject to the U.S. Foreign Corrupt Practices Act of 1977, as amended, U.S. anti-bribery laws and other anti-corruption, anti-bribery, anti-money laundering and counter-terrorist financing laws and regulations in the countries in which we conduct business. Anti-corruption and anti-bribery laws have been enforced aggressively in recent years and are interpreted broadly to generally prohibit companies, their employees and their third-party intermediaries from authorizing, offering or providing, directly or indirectly, improper payments or benefits to recipients in the public or private sectors. In connection with our international sales and business and sales to the public sector, we may engage with business partners and third-party intermediaries to market our products and services and to obtain necessary permits, licenses, and other regulatory approvals. In addition, our third-party intermediaries, or other business partners, may have direct or indirect interactions with officials and employees of government agencies or state-owned or affiliated entities. We can be held liable for corrupt or other illegal activities of these third-party intermediaries or other business partners, their employees, representatives, contractors, partners, and agents, even if we do not explicitly authorize such activities. Although we have policies and procedures to address compliance with such laws and regulations, there is a risk that our employees and agents will take actions in violation of our policies and applicable law, for which we may be ultimately held responsible.

Detecting, investigating and resolving actual or alleged violations of anti-corruption laws can require a significant diversion of time, resources and attention from senior management. In addition, noncompliance with anti-corruption, anti-bribery, anti-money laundering or counter-terrorist financing laws and regulations could subject us to whistleblower complaints, investigations, sanctions, settlements, prosecution, enforcement actions, fines, damages, other civil or criminal

penalties or injunctions, suspension or debarment from contracting with certain persons, reputational harm, adverse media coverage and other collateral consequences. If any subpoenas or investigations are launched, or governmental or other sanctions are imposed, or if we do not prevail in any possible civil or criminal proceeding, our results of operations, financial condition, business and prospects could be materially and adversely affected. Even in the event of a positive outcome in such an investigation or proceeding, the cost of the investigation or defense could be significant and negatively affect our financial performance.

These laws, regulations and standards are driving the review and updating of many corporate policies and systems, often at significant expense. Until there is a settling of a consistent and stable global approach, our company, with customers and employees around the world, will be exposed to financial risk in complying with these requirements. Any of the foregoing factors could materially and adversely affect our results of operations, financial condition, business and prospects.

We are subject to governmental export and customs compliance requirements that could impair our ability to compete in international markets or subject us to liability if we violate the controls.

Our products and technology are subject to export controls in the jurisdictions where we do business. For example, in the United States, we are subject to the Export Administration Regulations and the International Traffic in Arms Regulations ("ITAR"). Under these regulations, certain commodities, software and technology may be exported only with the required export authorizations. Some technology and software that we create or possess is controlled under these regulations, and in certain cases, we are required to maintain controls limiting the access to such technology and software, even among our own employees. Furthermore, our activities are subject to economic sanctions laws and regulations, including U.S. economic sanctions laws and regulations administered by the U.S. Department of the Treasury's Office of Foreign Assets Control that prohibit or restrict dealings that are within U.S. jurisdiction with, in or involving certain jurisdictions subject to comprehensive U.S. sanctions and certain designated persons and entities. We have corporate policies and procedures in place reasonably designed to ensure compliance with all applicable export control and economic sanctions laws and regulations.

In some cases, our compliance obligations may result in the loss of sales opportunities. In other cases, we may experience delays in our ability to conduct business as we await government authorization. Violations of economic sanctions or export control regulations can result in significant administrative fines or penalties or even criminal prosecution.

We are currently and may in the future become subject to litigation that could result in substantial costs, divert or continue to divert management's attention and resources, and materially and adversely affect our results of operations, financial condition, business and prospects.

On June 7, 2021 we filed a complaint in the Supreme Court of New York seeking declaratory judgment that we had not violated certain agreements entered into with International Business Machines Corporation ("IBM") relating to our acquisition of IBM's Microelectronics division in 2015, and subsequent development and research activities and sales of our products to IBM. On June 8, 2021, IBM filed a complaint in the Supreme Court of New York asserting intentional breach of contract and fraudulent misrepresentation claims under the same set of agreements. IBM argues that it is entitled to a return of its $1.5 billon payment to the company and at least $1 billion in damages. On September 14, 2021, the Court granted our motion to dismiss IBM's claims of fraud, unjust enrichment and breach of the implied covenant of good faith and fair dealing. Our complaint seeking declaratory judgment was dismissed. The case will proceed based on IBM's breach of contract and promissory estoppel claims. We believe, based on discussions with legal counsel, that we have meritorious defenses against IBM's claims. We dispute IBM's claims and intend to vigorously defend against them.

In addition, we are, and may become subject to, legal proceedings and claims that arise in the ordinary course of business, such as claims brought by our customers in connection with commercial disputes, product liability claims, employment claims made by our current or former employees or claims of infringement raised by intellectual property owners, in connection with the technology used in our manufacturing operations. The risk of such litigation may increase due to use of our products in safety-related systems of other advanced technologies, including automobiles.

Any existing or future disputes, claims or proceedings could result in substantial costs and may divert management's attention and resources. Insurance might not cover such claims, might not provide sufficient payments to cover all the costs to resolve one or more such claims and might not continue to be available on terms acceptable to us. A claim brought against us that is uninsured or underinsured could result in unanticipated costs, potentially harming our business, financial position and results of operations. Any of the foregoing factors could materially and adversely affect our results of operations, financial condition, business and prospects. Further, negative publicity arising from disputes, claims or proceedings may damage our reputation and adversely affect the image of our brand and our products. In addition, if any verdict or award is rendered against us, we could be required to pay significant monetary damages, assume other liabilities and even to suspend or terminate related business ventures or projects.

If regular or statutory consultation processes with employee representatives such as works councils fail or are delayed, or if our employees were to engage in a strike or other work stoppage, our results of operations, financial condition, business and prospects could be materially and adversely affected.

We may be required to consult with our employee representatives, such as works councils, on items such as work hours, restructurings, acquisitions and divestitures. Although we believe that our relations with our employees, employee representatives and works councils are satisfactory, no assurance can be given that we will be able to successfully extend or renegotiate these agreements as they expire from time to time or, in the case of transactions, to conclude potential consultation processes in a timely way. Also, if we fail to extend or renegotiate our labor agreements and social plans, if significant disputes with unions arise, or if our workers engage in a strike or other work stoppage, we could incur higher ongoing labor costs or experience a significant disruption of operations. We have experienced minor work stoppages involving a small number of employees at our Dresden, Germany manufacturing facility. Although those work stoppages did not materially impact production, future work stoppages, if more frequent or on a larger scale, could impact our production and our ability to timely provide products to our customers. Any of the foregoing factors could materially and adversely affect our results of operations, financial condition, business and prospects.

Currency and Interest Rate Risks

We are exposed to foreign currency risk, which could materially adversely affect our expenses and profit margins and could result in exchange losses.

The majority of our sales are denominated in U.S. dollars, and therefore, our revenue is not subject to foreign currency risk. However, an increase in the value of the U.S. dollar can increase the real cost to our customers of our products and services in those markets outside of the United States where we sell in U.S. dollars. Conversely, a weakened U.S. dollar can increase the cost of expenses such as our direct labor, raw materials and overhead that are incurred outside of the United States. These operating expenses are denominated in foreign currencies and are subject to fluctuations due to changes in foreign currency exchange rates. Additionally, this could impact our capital expenditures with foreign suppliers we pay in non-U.S. dollar currencies. We also engage in financing activities in local currencies. Our hedging programs may not be able to effectively offset any, or more than a portion, of the impact of currency exchange rate movements. As a result, unfavorable changes in exchange rates could materially and adversely affect our results of operations, financial condition, business and prospects.

LIBOR and certain other interest rate "benchmarks" may be subject to regulatory guidance and/or reform that could cause interest rates under our current or future debt agreements to perform differently than in the past or cause other unanticipated consequences.

Because a majority of our debt is primarily based on floating interest rate benchmarks (including the London Interbank Offered Rate, or "LIBOR"), fluctuations in interest rates could have a material effect on our business. We currently utilize, and may in the future utilize, derivative financial instruments such as interest rate swaps or interest rate caps to hedge some of our exposure to interest rate fluctuations, but such instruments may not be effective in reducing our exposure to interest fluctuations, and we may discontinue utilizing them at any time. As a result, we may incur higher interest costs if interest rates increase. These higher interest costs could have a material adverse impact on our financial condition and the levels of cash we maintain for working capital.

In addition, LIBOR and certain other interest rate "benchmarks" may be subject to regulatory guidance and/or reform that could cause interest rates under our current or future debt agreements to perform differently than in the past or cause other unanticipated consequences. Since December 31, 2021, LIBOR in Swiss Francs and Euro has permanently ceased to be determined or published, Sterling and Japanese Yen LIBOR has continued, but only for certain tenors and only using a changed methodology resulting in an unrepresentative rate setting and, in U.S. dollars, the one week and two-month LIBOR tenors have permanently ceased to be determined or published. The United Kingdom's Financial Conduct Authority, which regulates LIBOR, has announced that, after June 30, 2023, the overnight and twelve-month tenors of USD LIBOR will permanently cease to be determined or published and, if the remaining USD LIBOR tenors continue, it will be on the basis of a changed methodology resulting in unrepresentative settings. The FCA has prohibited use of the continuing USD LIBOR settings by UK-supervised entities in new regulated financial contracts, instruments and/or investment fund performance measurement, although there are some exceptions. Other regulatory authorities have imposed restrictions on new use of the continuing USD LIBOR settings.

If USD LIBOR ceases to exist or if the methods of calculating USD LIBOR change from their current form before the end of June 2023, interest rates on our current or future debt obligations may be adversely affected.

If a published USD LIBOR rate is unavailable, we may be required to substitute an alternative reference rate, such as a different benchmark interest rate or the Secured Overnight Financing Rate ("SOFR"), in lieu of LIBOR. The Alternative Reference Rates Committee has proposed SOFR as its recommended alternative to LIBOR and the Federal Reserve Bank of New York began publishing SOFR rates in April 2018. SOFR is intended to be a broad measure of the cost of borrowing cash overnight that is collateralized by U.S. Treasury securities. However, because SOFR is a broad U.S. Treasury repo financing rate that represents overnight secured funding transactions, it differs fundamentally from LIBOR. For example, SOFR is a secured overnight rate, while LIBOR is an unsecured rate that represents interbank funding over different

maturities. In addition, SOFR is a backward-looking rate, in that by the time it is published each day, all the transactions on which it is based will have matured, whereas LIBOR is forward-looking. Because of these and other differences, there is no assurance that SOFR will perform in the same way as LIBOR would have performed at any time, and there is no guarantee that it is a comparable substitute for LIBOR. A change from LIBOR to any of the proposed alternative reference rates could result in interest obligations that are more than or that do not otherwise correlate over time with the payments that would have been made on our debt if USD LIBOR were available in its current form. Any of these changes could have a material adverse effect on our financing costs. Moreover, the phase-out of LIBOR may adversely affect our assessment of effectiveness or measurement of ineffectiveness for accounting purposes of any interest rate hedging agreements indexed to LIBOR.

Risks Related to Changes in Effective Tax Rate and Accounting Principles

Changes in our effective tax rate or tax liability may have an adverse effect on our results of operations.

Our effective tax rate could increase due to several factors, including, but not limited to:

- changes in the relative amounts of income before taxes in the various jurisdictions in which we operate that have differing statutory tax rates;
- changes in tax laws, tax treaties and regulations or the interpretation of them;
- changes to our assessment about our ability to realize our deferred tax assets that are based on estimates of our future results, the prudence and feasibility of possible tax planning strategies, and the economic and political environments in which we do business;
- the outcome of current and future tax audits, examinations or administrative appeals; and
- limitations or adverse findings regarding our ability to do business in some jurisdictions.

Changes, such as these, that affect our effective tax rate could materially and adversely affect our results of operations and financial condition.

Our international operations subject us to potentially adverse tax consequences.

We generally conduct our international operations through subsidiaries and report our taxable income in various jurisdictions worldwide based upon our business operations in those jurisdictions. Our intercompany relationships are subject to complex transfer pricing regulations administered by taxing authorities in various jurisdictions. The relevant taxing authorities may disagree with our determinations as to the value of assets sold or acquired or income and expenses attributable to specific jurisdictions. If such a disagreement were to occur, and our position were not sustained, we could be required to pay additional taxes, interest, and penalties, which could result in one-time tax charges, higher effective tax rates, reduced cash flows, and lower overall profitability of our operations. There is also a high level of uncertainty in today's tax environment stemming from both global initiatives put forth by the Organisation for Economic Co-operation and Development, or the "OECD", and unilateral measures being implemented by various countries due to a historic lack of consensus on these global initiatives. As an example, the OECD has put forth two proposals—Pillar One and Pillar Two—that revise the existing profit allocation and nexus rules (profit allocation based on location of sales versus physical presence) and ensure a minimal level of taxation, respectively. If these proposals are passed, it is likely that we will have to pay higher income taxes in countries where such rules are applicable.

Our reported financial results may be adversely affected by changes in accounting principles.

International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), is subject to interpretation by the IASB and various bodies formed to promulgate and interpret appropriate accounting principles. A change in these principles or interpretations could have a significant effect on our reported results of operations, financial position and cash flows and could affect the reporting of transactions already completed before the announcement of a change.

Risks Related to Our Status as a Controlled Company and Foreign Private Issuer

Our majority shareholder, Mubadala Investment Company PJSC ("Mubadala") will continue to have substantial control of the business, which could limit your ability to influence the outcome of key transactions, including a change of control, and otherwise affect the prevailing market price of our ordinary shares.

Mubadala beneficially owns, in the aggregate, approximately 88.3% of our outstanding ordinary shares. See "Item 7. Major Shareholder and Related Party Transactions." In addition, we have entered into a shareholder's agreement with Mubadala, which will entitle Mubadala, subject to the level of Mubadala's beneficial ownership of our ordinary shares, to certain consent rights and director nomination rights. As a result, Mubadala will continue to have significant influence over the management and affairs of our company, as well as the ability to control the outcome of matters submitted to our

shareholders for approval, including the election of directors and the approval of significant corporate transactions, including any merger, consolidation or sale of all or substantially all of our assets and the issuance or redemption of equity interests in certain circumstances. The interests of Mubadala may not always coincide with, and in some cases may conflict with, our interests and the interests of our other shareholders. For instance, Mubadala could attempt to delay or prevent a change in control of our company, even if such change in control would benefit our other shareholders, which could deprive our shareholders of an opportunity to receive a premium for their ordinary shares. This concentration of ownership may also affect the prevailing market price of our ordinary shares due to investors' perceptions that conflicts of interest may exist or arise, and because Mubadala may sell, or investors may perceive that Mubadala is likely to sell, a significant amount of our ordinary shares.

As a foreign private issuer and a controlled company, we are not subject to certain corporate governance rules applicable to U.S. listed companies.

As a foreign private issuer that has listed our ordinary shares on the Nasdaq, we rely on a provision in the Nasdaq corporate governance listing standards that allows us to follow Cayman Islands law with regard to certain aspects of corporate governance. This allows us to follow certain corporate governance practices that differ in significant respects from the corporate governance requirements applicable to U.S. companies listed on the Nasdaq.

For example, we are exempt from Nasdaq regulations that require a listed U.S. company to:

- have a majority of the board of directors consist of independent directors;
- require non-management directors to meet on a regular basis without management present;
- have an independent compensation committee;
- have an independent nominating committee; and
- seek shareholder approval for the implementation of certain equity compensation plans and issuances of ordinary shares.

As a foreign private issuer, we are permitted to follow home country practice in lieu of the above requirements. Our audit, risk and compliance committee is required to comply with the provisions of Rule 10A-3 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which is applicable to U.S. companies listed on the Nasdaq. Therefore, we intend to have a fully independent audit, risk and compliance committee within one year from the effective date of our initial public offering registration statement, in accordance with Rule 10A-3 of the Exchange Act. However, because we are a foreign private issuer, our audit, risk and compliance committee is not subject to additional Nasdaq corporate governance requirements applicable to listed U.S. companies, including the requirements to have a minimum of three members and to affirmatively determine that all members are "independent," using more stringent criteria than those applicable to us as a foreign private issuer.

We are a foreign private issuer and, as a result, are not subject to U.S. proxy rules but are subject to reporting obligations that, to some extent, are more lenient and less frequent than those of a U.S. issuer.

We are a non-U.S. company with foreign private issuer status. Because we qualify as a foreign private issuer under the Exchange Act, and although we follow the laws and regulations of the Cayman Islands with regard to such matters, we are exempt from certain provisions of the Exchange Act that are applicable to U.S. public companies, including: (i) the sections of the Exchange Act regulating the solicitation of proxies, consents or authorizations in respect of a security registered under the Exchange Act, (ii) the sections of the Exchange Act requiring insiders to file public reports of their stock ownership and trading activities and liability for insiders who profit from trades made in a short period of time and (iii) the rules under the Exchange Act requiring the filing of quarterly reports on Form 10-Q containing unaudited financial and other specified information, or current reports on Form 8-K, upon the occurrence of specified significant events. Foreign private issuers are required to file their annual report on Form 20-F within four months after the end of each fiscal year. Foreign private issuers are also exempt from the Regulation Fair Disclosure, aimed at preventing issuers from making selective disclosures of material information. As a result of the above, you may not have the same protections afforded to shareholders of companies that are not foreign private issuers. This may be the case even though we intend to make interim reports available to our shareholders, copies of which we are required to furnish to the U.S. Securities and Exchange Commission ("SEC") on a Form 6-K, and even though we are required to file reports on Form 6-K disclosing whatever information we have made or are required to make public pursuant to Cayman Islands law or distribute to our shareholders and that is material to us.

We are a Cayman Islands company and, because judicial precedent regarding the rights of shareholders is more limited under Cayman Islands law than that under U.S. law, you may have less protection for your shareholder rights than you would under U.S. law.

Our corporate affairs are governed by our Amended and Restated Memorandum and Articles of Association (the "Memorandum and Articles of Association"), as amended and restated from time to time, the Cayman Islands Companies Act (as amended) (the "Cayman Companies Act") and the common law of the Cayman Islands. The rights of shareholders to take action against the directors, actions by minority shareholders and the fiduciary responsibilities of our directors to us under Cayman Islands law are to a large extent governed by the common law of the Cayman Islands. The common law of the Cayman Islands is derived in part from comparatively limited judicial precedent in the Cayman Islands as well as that from English common law, which has persuasive, but not binding, authority on a court in the Cayman Islands. The rights of our shareholders and the fiduciary responsibilities of our directors under Cayman Islands law are not as clearly defined as they would be under statutes or judicial precedent in some jurisdictions in the United States. In particular, the Cayman Islands has a less prescriptive body of securities laws than the United States. In addition, some U.S. states, such as Delaware, have more fulsome and judicially interpreted bodies of corporate law than the Cayman Islands. As a result of all of the above, public shareholders may have more difficulty in protecting their interests in the face of actions taken by management, members of the board of directors or controlling shareholders than they would as shareholders of a corporation incorporated in a jurisdiction in the United States.

Our officers and directors presently have, and any of them in the future may have, additional fiduciary or contractual obligations to other entities, and, accordingly, may have conflicts of interest in determining to which entity a particular business opportunity should be presented.

Our directors and officers presently have, and any of them in the future may have, additional fiduciary or contractual obligations to other entities pursuant to which such officer or director is or will be required to present a business opportunity to such entity, subject to his or her fiduciary duties under Cayman Islands law. Accordingly, they may have conflicts of interest in determining to which entity a particular business opportunity should be presented. These conflicts may not be resolved in our favor and a potential business opportunity may be presented to another entity prior to its presentation to us, subject to their fiduciary duties under Cayman Islands law.

Our Memorandum and Articles of Association provide that, to the fullest extent permitted by applicable law: (i) no individual serving as a director or an officer shall have any duty, except and to the extent expressly assumed by contract, to refrain from engaging directly or indirectly in the same or similar business activities or lines of business as us; (ii) we renounce any interest or expectancy in, or in being offered an opportunity to participate in, any potential transaction or matter which may be a corporate opportunity for any director or officer, on the one hand, and us, on the other; and (iii) no individual serving as a director or an officer shall have a duty to communicate or offer any such corporate opportunity to us, nor shall such individuals be liable to us for a breach of fiduciary duty solely by reason of the fact that such party pursues or acquires such corporate opportunity for himself or herself, directs such corporate opportunity to another person, or does not communicate information regarding such corporate opportunity to us.

For a complete discussion of our executive officers' and directors' business affiliations and the potential conflicts of interest that you should be aware of, please see "Item 6. Directors, Senior Management and Employees" and "Item 7. Major Shareholders and Related Party Transactions."

The Cayman Islands Economic Substance Act may affect our operations.

The Cayman Islands has recently enacted the International Tax Co-operation (Economic Substance) Act, or the Cayman Economic Substance Act. The Cayman Economic Substance Act generally requires legal entities domiciled or registered in the Cayman Islands to have demonstrable substance in the Cayman Islands. The Cayman Economic Substance Act was introduced by the Cayman Islands to ensure that it meets its commitments to the European Union, as well as its obligations under the OECD's global Base Erosion and Profit Shifting initiatives. We are required to comply with the Cayman Economic Substance Act. As we are a Cayman Islands company, compliance obligations include filing annual notifications for us, which need to state whether we are carrying out any relevant activities and, if so, whether we have satisfied economic substance tests to the extent required under the Cayman Economic Substance Act. As it is a relatively new regime, it is anticipated that the Cayman Economic Substance Act will evolve and be subject to further clarification and amendments. We may need to allocate additional resources to keep updated with these developments, and may have to make changes to our operations in order to comply with all requirements under the Cayman Economic Substance Act. Failure to satisfy these requirements may subject us to penalties under the Cayman Economic Substance Act. The Cayman Islands Tax Information Authority shall impose a penalty of CI$10,000 (or US$12,500) on a relevant entity for failing to satisfy the economic substance test or CI$100,000 (or US$125,000) if it is not satisfied in the subsequent financial year after the initial notice of failure. Following failure after two consecutive years the Grand Court of the Cayman Islands may make an order requiring the relevant entity to take specified action to satisfy the economic substance test or ordering it that it is defunct or be struck off. As the Cayman Islands Economic Substance Act is relatively new legislation, there is some uncertainty as to whether the Company met the requirements of the Economic Substance Act for the 2019 and 2020

reporting periods. However, the Company has not been notified by the Cayman Islands Tax Information Authority of any such failure or applicable penalties.

Risks Related to Operating as a Public Company

We are incurring increased costs and expenses as a result of operating as a public company and our management is required to devote substantial time to compliance with our public company responsibilities and corporate governance practices.

As a public company, we are incurring greater legal, accounting and other expenses than we incurred as a private company. We are subject to the reporting requirements of the Exchange Act, the Sarbanes-Oxley Act of 2002 ("SOX"), the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the "Dodd-Frank Act"), and the rules and regulations of the Nasdaq, which impose various requirements on public companies, including establishment and maintenance of effective disclosure and financial controls and corporate governance practices. These requirements increase our legal, accounting, and financial compliance costs and make some activities more difficult, time-consuming, and costly, and place significant strain on our personnel, systems and resources.

We are continuing to evaluate these rules and regulations and cannot predict or estimate the amount of additional costs or the timing of such costs. These rules and regulations are often subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices.

We are also required to comply with auditor attestation requirements of Section 404 of SOX. In that regard, we are working to hire additional accounting and financial staff with appropriate public company experience and technical accounting knowledge. We cannot predict or estimate the amount of additional costs we may incur or the timing of such costs.

If we fail to establish and maintain proper and effective internal control over financial reporting, our operating results and our ability to operate our business could be harmed.

Ensuring that we have adequate internal financial and accounting controls and procedures in place so that we can produce accurate financial statements on a timely basis is a costly and time-consuming effort that needs to be re-evaluated frequently. Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with generally accepted accounting principles. In connection with our initial public offering, we have begun the process of documenting, reviewing and improving our internal controls and procedures for compliance with Section 404 of SOX, which will require annual management assessment of the effectiveness of our internal control over financial reporting. Implementing any appropriate changes to our internal controls may distract our officers and employees, entail substantial costs to modify our existing processes and take significant time to complete. These changes may not, however, be effective in maintaining the adequacy of our internal controls, and any failure to maintain that adequacy, or consequent inability to produce accurate financial statements on a timely basis, could increase our operating costs and harm our business. In addition, investors' perceptions that our internal controls are inadequate or that we are unable to produce accurate financial statements on a timely basis may harm the trading price of our ordinary shares and make it more difficult for us to effectively market and sell our service to new and existing customers.

Risks Related to our Ordinary Shares

Future sales or distributions of our shares by Mubadala could depress the price of our ordinary shares.

Sales by Mubadala in the public market or other distributions of substantial amounts of our ordinary shares, or the filing of a registration statement relating to a substantial amount of our ordinary shares, could depress our ordinary share price. In addition, Mubadala has the right, subject to certain conditions, to require us to file registration statements covering its shares or to include its shares in other registration statements that we may file. By exercising its registration rights and selling a large number of shares, Mubadala could cause the price of our ordinary shares to decline.

We do not expect to declare or pay any dividends on our ordinary shares for the foreseeable future.

We do not intend to pay cash dividends on our ordinary shares for the foreseeable future. Consequently, investors must rely on sales of their shares of our ordinary shares after price appreciation, which may never occur, as the only way to realize any future gains on their investment. Investors seeking dividends should not purchase shares of our ordinary shares. Any future determination to pay dividends will be at the discretion of our board of directors and subject to, among other things, our compliance with applicable law, and depending on, among other things, our business prospects, financial condition, results of operations, cash requirements and availability, debt repayment obligations, capital expenditure needs, the terms of any preferred equity securities we may issue in the future, covenants in the agreements governing our current

and future indebtedness, other contractual restrictions, industry trends and any other factors or considerations our board of directors may regard as relevant. See “Item 8. Financial Information—Dividends and Dividend Policy.”

Anti-takeover provisions in our organizational documents and Cayman Islands law may discourage or prevent a change of control, even if an acquisition would be beneficial to our shareholders, which could depress the price of our ordinary shares and prevent attempts by our shareholders to replace or remove our current management.

Our Memorandum and Articles of Association contain provisions that may discourage unsolicited takeover proposals that shareholders may consider to be in their best interests. Our board of directors is divided into three classes with staggered, three-year terms. Our board of directors has the ability to designate the terms of and issue preferred shares without shareholder approval. We are also subject to certain provisions under Cayman Islands law that could delay or prevent a change of control. Together these provisions may make more difficult the removal of management and may discourage transactions that otherwise could involve payment of a premium over prevailing market prices for our ordinary shares.

Our Memorandum and Articles of Association provide that the courts of the Cayman Islands will be the exclusive forum for certain disputes between us and our shareholders, which could limit our shareholders’ ability to obtain a favorable judicial forum for complaints against us or our directors, officers or employees.

Our Memorandum and Articles of Association provide that unless we consent in writing to the selection of an alternative forum, the courts of the Cayman Islands will, to the fullest extent permitted by the law, have exclusive jurisdiction over any claim or dispute arising out of or in connection with our Memorandum and Articles of Association or otherwise related in any way to each shareholder’s shareholding in us, including but not limited to (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of any fiduciary or other duty owed by any of our current or former directors, officers or other employees to us or our shareholders, (iii) any action asserting a claim arising pursuant to any provision of the Cayman Companies Act or our Memorandum and Articles of Association, and (iv) any action asserting a claim against us governed by the “Internal Affairs Doctrine” (as such concept is recognized under the laws of the United States) and that each shareholder irrevocably submits to the exclusive jurisdiction of the courts of the Cayman Islands over all such claims or disputes. Our Memorandum and Articles of Association will provide that, unless we consent in writing to the selection of an alternative forum, to the fullest extent permitted by law, the federal district courts of the United States will be the exclusive forum for the resolution of any complaint asserting a cause or causes of action arising under the Securities Act of 1933, as amended (“Securities Act”), or Exchange Act, including all causes of action asserted against any defendant named in such complaint.

Our Memorandum and Articles of Association also provide that, without prejudice to any other rights or remedies that we may have, each of our shareholders acknowledges that damages alone would not be an adequate remedy for any breach of the selection of the courts of the Cayman Islands as exclusive forum and that accordingly we shall be entitled, without proof of special damages, to the remedies of injunction, specific performance or other equitable relief for any threatened or actual breach of the selection of the courts of the Cayman Islands as exclusive forum.

This choice of forum provision may increase a shareholder’s cost and limit the shareholder’s ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees, which may discourage lawsuits against us and our directors, officers and other employees. Any person or entity purchasing or otherwise acquiring any of our shares or other securities, whether by transfer, sale, operation of law or otherwise, shall be deemed to have notice of and have irrevocably agreed and consented to these provisions. There is uncertainty as to whether a court would enforce such provisions, and the enforceability of similar choice of forum provisions in other companies’ charter documents has been challenged in legal proceedings. It is possible that a court could find this type of provisions to be inapplicable or unenforceable, and if a court were to find this provision in our Memorandum and Articles of Association to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving the dispute in other jurisdictions, which could have adverse effect on our business and financial performance.

Our Memorandum and Articles of Association provide for indemnification of officers and directors at our expense, which may result in a major cost to us and hurt the interests of our shareholders because corporate resources may be expended for the benefit of officers and/or directors.

Our Memorandum and Articles of Association and applicable law of the Cayman Islands provide for the indemnification of our directors and officers, under certain circumstances, against any liability, action, proceeding, claim, demand, costs, damages or expenses, including legal expenses, whatsoever which they or any of them may incur as a result of any act or failure to act in carrying out their functions in connection with our company, other than such liability (if any) that they may incur by reason of their own actual fraud, dishonesty, willful neglect or willful default. We will also bear the expenses of such litigation for any of our directors or officers, upon such person’s undertaking to repay any amounts paid, advanced, or reimbursed by us if it is ultimately determined that any such person shall not have been entitled to indemnification. This indemnification policy could result in substantial expenditures by us that we will be unable to recoup.

We have been advised that, in the opinion of the SEC, indemnification for liabilities arising under federal securities laws is against public policy as expressed in the Securities Act, and is, therefore, unenforceable.

ITEM 4. INFORMATION ON THE COMPANY

A. History and Development of the Company

Our History

We were established in 2009 when a subsidiary of Mubadala acquired the manufacturing operations of Advanced Micro Devices, Inc. ("AMD") in Dresden, Germany, and their fab project site in Malta, New York. Since our inception, we have grown through a combination of acquisitions, greenfield expansions and strategic partnerships. In 2010, we combined with Chartered Semiconductor Manufacturing, the third-largest foundry by revenue at the time, forming the basis for our Singapore manufacturing hub. In 2015, we acquired IBM's Microelectronics division with manufacturing facilities in New York and Vermont, adding distinctive technology capabilities, including more than 2,000 IBM engineers. By 2017, we had successfully ramped our most advanced manufacturing site in Malta, New York. Through our organic and strategic growth initiatives, we increased manufacturing capacity and now have a global footprint with five manufacturing sites on three continents with approximately 14,600 employees and approximately 9,000 worldwide patents. In 2021, we shipped approximately 2.4 million 300mm equivalent semiconductor wafers. With this level of market presence and capability, our technologies are found across most semiconductor end markets in devices used on a daily basis.

Strategic Repositioning

Beginning in 2018, we embarked on a new strategy to significantly reposition our business to better align with our customers' needs, drive margin expansion and accelerate value creation for our stakeholders. Today, we focus on and are growing sales of foundry solutions for the pervasive semiconductor market, where we are trusted to reliably innovate and deliver premium performance, functionality, efficiency and quality, rather than focusing merely on transistor density and processing speed.

Key elements of our strategy include:

- **Focus on feature-rich solutions.** In August 2018, we shifted our focus to address the pervasive foundry market opportunity and the growing demand for specialized process technologies in emerging high-growth markets. Examples of feature-rich solution include embedded Non-volatile memory ("eNVM") and high voltage.
- **Market-based customer engagement strategy.** In order to better address and capture the pervasive semiconductor foundry market opportunity, we restructured our go-to-market organizations to better align with the growing opportunities in Smart Mobile Devices, Home and Industrial IoT, Communications Infrastructure & Datacenter, Automotive and Personal Computing. We supplemented our existing workforce with talented executives holding deep domain expertise in these growing markets.
- **Optimized portfolio.** We took a number of steps to streamline and optimize our business and manufacturing footprint to improve our bottom line and return on capital. In 2019, we divested three assets that were not aligned with our strategic priorities.
- **Resized and refocused cost structure.** We have realigned our engineering, sales and marketing organizations toward higher-margin, higher-return products and opportunities to drive our improved bottom line.
- **Disciplined, capital-efficient expansion strategy.** Since our repositioning, we have focused on a capital-efficient expansion strategy that is based on long-term demand certainty and partnerships with our customers. In addition, by repositioning to focus on differentiated technologies, we have been able to efficiently add features to our existing platforms while significantly reducing overall capital expenditures. Additionally, this strategy provides us with the opportunity to pursue highly accretive investments to meet market demand.

For a description of our principal capital expenditures in the last three fiscal years and a discussion of our acquisitions and dispositions, please see "Item 5. Operating and Financial Review and Prospects."

Corporate Information

Our legal and commercial name is GLOBALFOUNDRIES Inc. We are an exempted company incorporated in the Cayman Islands with limited liability on October 7, 2008. We have appointed Corporation Service Company as our agent to receive service of process with respect to any action brought against us in the United States under the federal securities laws of the United States or of any state in the United States. The address of Corporation Service Company is 251 Little Falls Drive, Wilmington, DE 19808. Our principal executive offices are located at 400 Stonebreak Road Extension, Malta, New York 12020, United States, and our telephone number is (518) 305-9013.

Our website address is www.gf.com. Information contained on, or that can be accessed through, our website is not incorporated by reference into this Annual Report, and you should not consider information on our website to be part of this Annual Report. In addition, the SEC maintains an Internet website that contains reports and other information about issuers, like us, that file electronically with the SEC. The address of that website is www.sec.gov.

The GF design logo, “GF” and our other registered or common law trademarks, service marks, or trade names appearing in this Annual Report are the property of GLOBALFOUNDRIES Inc. Other trade names, trademarks and service marks used in this Annual Report are the property of their respective owners.

B. Business Overview

We are one of the world’s leading semiconductor foundries. We manufacture complex, feature-rich ICs that enable billions of electronic devices that are pervasive throughout nearly every sector of the global economy. With our specialized foundry manufacturing processes, a library consisting of thousands of qualified circuit-building block designs (known as IP titles or IP blocks), and differentiated transistor and device technology, we serve a broad range of customers, including the global leaders in IC design, and provide optimized solutions for the function, performance and power requirements of critical applications driving key secular growth end markets. As the only scaled pure-play foundry with a global footprint that is not based in China or Taiwan, we help customers mitigate geopolitical risk and provide greater supply chain certainty.

We provide differentiated foundry solutions that enable the era for data-centric, connected, intelligent and secure technologies. We are redefining the foundry model with feature-rich solutions that enable our customers to develop innovative products for an increasingly wide variety of applications across broad and pervasive markets. We unlock value for our customers by helping drive technology in multiple dimensions, making their products more intelligent and intuitive, more connected and secure, and more powerful and energy-efficient. Our objective is to be the global leader in feature-rich semiconductor manufacturing—the foundry of choice for the pervasive semiconductor market.

Since our founding in 2009, we have invested over $23 billion in our company to build a global manufacturing footprint with multiple state-of-the-art facilities across three continents, offering customers the flexibility and security their supply chains require. As semiconductor technologies become more complex with advanced integration requirements, we are also able to offer comprehensive, state-of-the-art design solutions and services that provide our customers with a high-quality, cost-effective and faster path to market. We continue to add new ecosystem partners spanning IP, electronic design automation, outsourced assembly and test and design services. Building on an existing library of more than 4,400 IP titles, we currently have more than 970 IP titles in active development across 27 process nodes and 34 IP partners.

We focus on feature-rich devices that include digital, analog, mixed-signal, radio frequency (“RF”), ultra-low power and embedded memory solutions that connect, secure and process data, and efficiently power the digital world around us. As the semiconductor and technology industries become more complex, we expect to become an even more vital partner to fabless semiconductor design companies, IDMs and original equipment manufacturers (“OEMs”), bringing their designs to life in physical hardware. Our core technology portfolio includes a range of differentiated technology platforms, including our industry-leading RF SOI solutions, advanced high-performance Fin Field-Effect Transistor (“FinFET”), feature-rich Complementary Metal-Oxide Semiconductor (“CMOS”), our proprietary FDX™, high-performance Silicon Germanium (“SiGe”) products and SiPh, all of which can be purposely engineered, innovated and designed for a broad set of demanding applications. Customers depend on us for feature-rich solutions based on these differentiated technologies in a growing number of applications that require low power, real-time connectivity and on-board intelligence.

The combination of our highly-differentiated technology and our scaled manufacturing footprint enables us to attract a large share of single-sourced products and long-term supply agreements, providing a high degree of revenue visibility and significant operating leverage, resulting in improved financial performance and bottom line growth. As of December 31, 2021, the aggregate lifetime revenue commitment reflected by these agreements amounted to more than $21 billion, including more than $10 billion during the period from 2022 through 2023 and more than $3.0 billion in advanced payments and capacity reservation fees. These agreements include binding, multi-year, reciprocal annual (and, in some cases, quarterly) minimum purchase and supply commitments with wafer pricing and associated mechanics outlined for the contract term. Through an intense focus on collaboration, we have built deep strategic partnerships with a broad base of more than 250 customers as of December 31, 2021, many of whom are the global leaders in their field. For the year 2021, our top ten customers, based on wafer shipment volume, included some of the largest semiconductor companies in the world: Advanced Micro Devices, Inc. (“AMD”), Cirrus Logic, Inc. (“Cirrus Logic”), Infineon Technologies AG (“Infineon”), MediaTek Inc. (“MediaTek”), NXP Semiconductors N.V. (“NXP”), pSemi Corporation (“pSemi”), Qorvo, Inc. (“Qorvo”), Qualcomm Inc. (“Qualcomm”), Samsung Electronics Co., Ltd. (“Samsung”), and Skyworks Solutions, Inc. (“Skyworks”). A key measure of our position as a strategic partner to our customers is the mix of our wafer shipment volume attributable to single-sourced business, which represented approximately 62% of wafer shipment volume in 2021, up from 61% in 2020. We define single-sourced products as those that we believe can only be manufactured with our technology and cannot be manufactured elsewhere without significant customer redesigns.

In addition to our highly-differentiated technology platforms, our capital-efficient, scaled manufacturing footprint gives us the flexibility and agility to meet the dynamic needs of our customers around the globe, help them mitigate geopolitical risk and provide greater supply chain certainty. We are also one of the most advanced accredited foundry providers to the U.S. DoD and have the ability to extend this high-assurance model to serve commercial customers and to enhance supply chain security and resilience at a time when they are becoming more critical to national and economic security. Since foundry production is concentrated in China and Taiwan, we believe our global manufacturing footprint is a key differentiator that makes us the ideal partner for local and regional government stakeholders at a time when many regions, in particular the United States and Europe, are contemplating significant funding to secure and grow domestic semiconductor manufacturing capabilities.

We currently operate five manufacturing sites in the following locations: Dresden, Germany; Singapore; Malta, New York; Burlington, Vermont; and East Fishkill, New York. Subsequent to our transfer of our EFK facility, we will have four world-class manufacturing sites on three continents, providing the scale, technology differentiation and geographic diversification that we believe are critically important to our customers' success, with total 300mm equivalent baseline capacity in 2021 of approximately 2,228 kilo wafers per annum ("kwpa"). See Note 32 to our Annual Consolidated Financial Statements for our revenue and non-current assets by geography.

Technology Platforms

We offer a wide range of feature-rich solutions that can address the needs of mission-critical applications in Smart Mobile Devices, Home and Industrial IoT, Communications Infrastructure & Datacenter, Automotive and Personal Computing. To solve our customers' most complex challenges, we have developed a broad range of sophisticated technology platforms that leverage our extensive patent portfolio and deep technical expertise in digital, analog, mixed-signal, RF and embedded memory.

We devote the majority of our R&D efforts to our six primary differentiated technology platforms:

- **RF SOI:** Our industry-leading RF SOI technologies are utilized in high-growth, high-volume wireless and Wi-Fi markets and are optimized for low power, low noise and low latency/high frequency applications that enable longer battery life for mobile applications and high cellular signal quality. Our RF SOI technologies are found in almost all cellular handsets from major manufacturers and in cellular ground station transceivers.
- **FinFET:** Our FinFET process technology is purpose-built for high-performance, power-efficient Systems-on-a-Chip ("SoCs") in demanding, high-volume applications. Advanced features such as RF, automotive, ultra-low power memory and logic provide a best-in-class (12 to 16 nanometer ("nm")) combination of performance, power and area, and are well-suited for compute and AI, mobile/consumer and automotive processors, high-end IoT applications, high performance transceivers and wired/wireless networking applications.
- **Feature-Rich CMOS:** Our CMOS platforms combined with foundational and complex IP and design enablement offer mixed-technology solutions on volume production-proven processes and are well-suited for a wide variety of applications. Technology features include Bipolar-CMOS-DMOS ("BCD") for power management, high-voltage triple-gate oxide for display drivers, and embedded non-volatile memory for micro-controllers.
- **FDX™:** Our proprietary FDX™ process technology platform is especially well-suited for efficient single-chip integration of digital and analog signals delivering cost-effective performance for connected and low-power embedded applications. A full range of features, such as Ultra-Low Power ("ULP"), Ultra-Low Leakage ("ULL"), RF and mmWave, embedded Magnetoresistive Random Access Memory ("MRAM") and automotive, makes our FDX™ process technology platform especially well-matched for IoT/wireless, 5G (including mmWave), automotive radar, and satellite communications applications.
- **SiGe:** Our SiGe Bipolar CMOS ("BiCMOS") technologies are uniquely optimized for either power amplifier applications or very-high-frequency applications for optical and wireless networking, satellite communications and communications infrastructure. Our SiGe technologies are performance-competitive with more costly compound semiconductor technologies while taking full advantage of being integrated with conventional Silicon CMOS ("Si CMOS").
- **SiPh:** Our SiPh platforms address the increasing need for data centers to handle ever higher data rates and volumes with greater power efficiency, as conventional copper wire connections are becoming prohibitive from a power consumption perspective. Our SiPh platforms integrate photonics components with CMOS logic and RF to enable a fully integrated, monolithic electrical and optical computing and communications engine. Our SiPh technologies are also being extended to applications such as Light Detection and Ranging ("LiDAR"), quantum computing and consumer optical networks.

Recent Industry and Market Dynamics

The Global Semiconductor Supply Shortage

While technology megatrends have been driving increased semiconductor demand, the COVID-19 pandemic accelerated demand trends already underway, including remote work, learning and medicine, driving sustainable demand for electronic devices such as networking and infrastructure to maintain a distributed environment. As a result, demand has outstripped supply across most of the semiconductor industry. Meanwhile, other industries, such as the automotive sector, which were initially hard-hit by the pandemic, began to halt new purchases and depleted existing inventories of semiconductor chips. As some parts of the world have started to re-open, these impacted sectors have seen significant increases in new demand, which, when coupled with underlying megatrends not related to the COVID-19 pandemic, such as the electrification of vehicles, have resulted in a significant imbalance between demand and supply. Although the supply-demand imbalance is expected to improve over the medium-term, the semiconductor industry will require a significant increase in investment to keep up with demand.

Government Incentives to Secure Supply

Against this backdrop, governments have been proposing bold new incentives to fund and secure their local semiconductor manufacturing industries. The United States Congress authorized the CHIPS Act, which, if funded, as proposed in legislation pending in Congress, will provide for $52 billion in funding to the domestic semiconductor industry, with approximately two-thirds directed toward semiconductor manufacturing. However, the timing of when we may receive funding under the CHIPS Act is difficult to predict. The European Union recently proposed the European Chips Act, which is intended to provide significant funding to strengthen the EU's semiconductor industry. These programs, and similar programs under consideration, are designed to bring back share in the semiconductor industry to the United States and Europe by encouraging manufacturers such as GF to increase their local capacities in these regions.

Similarly, we believe that foundry customers are increasingly seeking to diversify and secure their semiconductor supply chains, and are looking for foundry partners with manufacturing footprints in Europe, the United States and Asia, outside of China and Taiwan. Fabless companies and IDMs increasingly view their foundry relations as highly strategic and are looking to secure long-term capacity contracts by paying to access capacity expansions at their foundry partners. This trend has the potential to help balance the geographical distribution of manufacturing and drive increased long-term visibility and profitability of the foundry industry.

Technology Megatrends

Semiconductors are the core building blocks of electronic devices and systems, including those used in mobile devices, automobiles, consumer electronics, wearables, smart home devices, 5G wireless infrastructure, robotics, PCs, cloud computing, data networking and others. Historically, semiconductor innovation was driven by a few select compute-centric applications—initially PCs and later the internet and mobile phones. Mobile devices have evolved from a convenient communication appliance to a feature-rich, always-connected device, enabling users to do and control nearly everything in their lives. This has driven significant growth in semiconductor demand.

Another significant driver of semiconductor demand has been, and we believe will continue to be, the tremendous growth in the deployment of intelligent software which is increasingly transforming a wide variety of business functions across all sectors. Semiconductors enable the functionality that software delivers. With wide-scale adoption of mobile devices and software solutions, society has grown to expect high-speed connectivity, convenience and security in all applications, providing a catalyst for increased semiconductor content in nearly every industry. These trends were accelerated by the COVID-19 pandemic, which emphasized the criticality of connectivity to allow the world to continue to work, communicate, educate, and deliver goods and services. We believe that accelerated adoption of technologies such as video conferencing, telemedicine, e-education and e-commerce will serve to drive increased requirements for these technologies going forward.

Semiconductors are enabling the transformation of other sectors of the economy as well. In particular, autonomous driving applications are driving a sharp increase in semiconductor sensors. Semiconductors are increasingly integral to the performance, safety and comfort of vehicles, and we believe the continued electrification of automobiles will only further accelerate this trend.

Semiconductors have become mission-critical to the functionality, safety, transformation and success of many industries in addition to the automotive industry. As a result, the diversification of semiconductor demand across a wide range of industries has made the sector more foundational and central to the broader economy and in turn less vulnerable to cyclicality.

Technology megatrends including IoT, 5G, cloud, artificial intelligence ("AI") and next-generation automotive are reshaping the global economy and driving a new golden age for semiconductors. Semiconductors have become ubiquitous, powering a broad range of applications from consumer devices to enterprise and industrial applications. Semiconductor

innovation is essential to the growth and development of many parts of the technology ecosystem. This includes the software and AI revolution and data collection, transmission and processing at an unprecedented scale, as well as increasing use of advanced driver-assistance systems (“ADAS”) and electrification of automobiles. Semiconductor innovation is also essential for many industrial applications. As the manufacturing backbone of the semiconductor industry, foundries are the bedrock of the global technology ecosystem, and, by extension, the world economy. Foundries such as GF drive innovation by providing advances in process technologies, materials science and IC design IP within the global supply chain to enable customers to develop ICs, accelerate time-to-market and offer value-added services.

Impact of COVID-19

All of our manufacturing facilities continue to remain open and are operating at normal production levels. We have been classified as an essential business in the United States, Germany and Singapore and we expect our facilities to remain open throughout the COVID-19 pandemic. Our manufacturing sites are limited to essential personnel only and we are able to maintain appropriate staffing levels to support production. We are also taking all appropriate measures to protect our workforce and community.

At the beginning of the pandemic, we increased the frequency of monitoring our cash flows and working capital, and to date we have seen no impacts. As an essential business, we stayed open throughout 2021 and have continued to do so based on what we believe to be effective measures to maintain a safe work environment, while scaling production to meet increasing demand.

In March 2020, we drew down a $235 million revolving credit facility as a safeguard measure in case of pressure on the banking system, which was fully paid back in July 2020. Our suppliers continue to support our business without material impacts from the pandemic. We are also evaluating and participating in government initiatives as appropriate. To date, we have benefited from approximately $29 million from payroll tax deferrals in the United States and approximately $26 million in grants from the government of Singapore.

Our customers have not signaled material demand shifts at this point and non-cancellable revenue coverage is within the normal historical range. We continue to closely monitor the business environment for changes and are prepared to adjust capital and operational spending as appropriate.

Key Strengths

We have several distinct advantages that differentiate us from our peers:

- **Scaled manufacturing capabilities.** In 2021, we shipped approximately 2.4 million 300mm equivalent semiconductor wafers. We believe that our scaled global manufacturing footprint enables our customers to leverage the security of our fabs and ensure a trusted supply of critical semiconductors.
- **Differentiated technology platforms and ecosystem.** We deliver highly-differentiated solutions to meet customer demand for superior performance, lower power consumption and better thermal efficiency for mission-critical applications across IoT, 5G, cloud, AI, next-generation automotive and other secular growth markets that are driving the economy of the future.
- **Diversified and secure geographic footprint.** Our scaled global manufacturing footprint helps mitigate geopolitical, natural disaster and competitive risks. We are the only U.S.-based scaled semiconductor foundry with a global footprint. We believe that this geographic diversification is critical to our customers as well as governments around the world as they look to secure semiconductor supply. Furthermore, a significant number of our technology platforms are qualified across our manufacturing footprint, providing our customers with a geographically diverse one-stop supply chain solution.
- **Market-centric solutions driving deep customer relationships.** We are pioneering a new sustainable foundry relationship with fabless companies, IDMs and OEMs by partnering with customers to redefine the supply chain and economics for the entire value chain. The insights we gain through our market-centric approach enable us to focus on and invest in the markets and applications in which we believe we can achieve a clear leadership position.
- **Capital-efficient model.** Our focus on the pervasive semiconductor market results in lower capital requirements compared to foundries that focus on processor-centric compute semiconductors and are therefore obligated to invest significant capital to transition from node to node. Additionally, as the only scaled pure-play foundry with existing manufacturing capacity in the United States and Europe, we are well-positioned to benefit from government support, as governments around the world implement or contemplate large aid packages to encourage manufacturers such as us to increase their local capacities in these regions.
- **World-class team and focus on sustainability.** We have a highly technically proficient, talented and experienced management team of executive officers and key employees with average industry experience of 20 years. We are dedicated to ethical and responsible business practices, the personal and social well-being of our diverse and highly-skilled employee base, and supply chain and environmental stewardship. As of December 31, 2021, we

employed approximately 14,600 employees, and approximately 65% of our employees were engineers or technicians.

Our Growth Strategies

Key elements of our growth strategies include:

- **Deepen relationships with key customers.** We operate a customer-focused partnership model in which we work closely with our customers to better understand their requirements in order to invest in and develop tailored solutions to suit their specific needs. We intend to expand our customer base and increase market share by leveraging our core IP, comprehensive portfolio, scale and flexibility to redefine the fabless-foundry model.
- **Expand portfolio of differentiated, feature-rich technologies.** We believe that maintaining and enhancing our leadership position in differentiated technologies is critical to attracting and retaining customers, which increasingly rely on specific silicon features to differentiate their products. We will continue to invest in R&D across our six key technology platforms, which we believe will lead to continued innovation and growth within our addressable market for the foreseeable future.
- **Disciplined capacity expansion.** We believe that we have a capital-efficient model that allows us to expand capacity in a disciplined and economically attractive manner. Our focus on the pervasive semiconductor market requires lower capital intensity than that of the compute-focused foundries to drive revenue growth.
- **Strengthen government partnerships.** We intend to continue expanding our existing footprint by building on the strength of our public/private investment partnerships. As regions around the world work to establish domestic semiconductor supply, we believe governmental funding to secure local manufacturing will continue.
- **Continued operational excellence.** Through intensive management focus on operational efficiency, we will continue to implement efficiency measures aimed at expanding margins, improving our bottom line, and generating higher returns on investment. We expect our business model to provide significant bottom line benefits as revenue scales at each of our existing locations.

Raw Materials

One of the most important raw materials used in our production processes is silicon wafers, which is the basic raw material from which integrated circuits are made. In recent years, the silicon substrate market has experienced price volatility and supply shortages. The principal suppliers for our wafers are Soitec, GlobalWafers Singapore Pte. Ltd. (“GlobalWafers”), SK Siltron, Inc., Siltronic AG, Sumco Corporation and Shin-Etsu Handotai (“S.E.H.”). In order to secure a reliable and flexible supply of high-quality wafers, we have entered into multiple long-term agreements with the majority of our principal suppliers, the largest of which is Soitec. We have entered into multiple long-term agreements with Soitec across a wide spectrum of SOI products. See also “Item 3. Risk Factors—We rely on a complex silicon supply chain and breakdowns in that chain could affect our ability to produce our products and could materially and adversely affect our results of operations, financial condition, business and prospects.”

Research and Development

We have a strong heritage of innovation, stemming from our roots at AMD, Chartered Semiconductor and IBM, and have built a comprehensive technology portfolio supported by approximately 9,000 worldwide patents. As of December 31, 2021, we had approximately 1,400 employees dedicated to R&D. We have a strong commitment to R&D, and, since our strategic repositioning in 2018, have been able to invest more efficiently, focusing our R&D efforts primarily on delivering a comprehensive and expanded portfolio of highly-differentiated, feature-rich solutions for our customers, including RF, FinFET, feature-rich CMOS, FDXTM, SiGe and SiPh. Our investments cover a broad range of innovation vectors, including materials and substrates, architecture, integration, services, including packaging, and the development of our ecosystem. We have developed and continue to develop resources that allow our customers to develop innovative products to fuel the global economy. In 2019, 2020 and 2021, we spent $583 million, $476 million and $478 million, respectively, on R&D, which represented 10%, 10% and 7% of our net revenue in each respective year. The sequential decline in R&D spending was driven primarily by the sale of our ASIC business.

Intellectual Property

We rely on IP rights, particularly patents and trade secrets, as well as contractual arrangements, to protect our core process and design enablement technologies and provide our customers with protected technology to enable their mission-critical offerings. On average, we file hundreds of new patent applications annually, and approximately 90% of our filed patent applications have successfully been issued as patents (based on U.S. patent applications filed between 2016 and 2020), which reflects the innovation of our engineers. Following our 2018 pivot to focus on differentiated technologies, our recent patent applications have closely tracked our areas of focus, including RF, FDX™, SiGe, and SiPh. We file our patent applications in the United States and in key countries such as Taiwan, Korea, China and Germany based on the location of

other semiconductor manufacturers or major markets. In addition to patents invented by our engineers, we have also acquired thousands of patents from other leading semiconductor manufacturers, including AMD, Chartered Semiconductor and IBM. We periodically conduct in-depth reviews of our patents and the industry's manufacturing technologies, and we cull patents having limited or no value, yielding both savings in patent office maintenance fees and a strong, active patent portfolio. As of December 31, 2021, we held approximately 9,000 worldwide patents.

Over the years, we have used our patent portfolio to successfully fend off operating companies seeking to extract patent license fees from us. Additionally, in 2019, we filed patent infringement lawsuits against TSMC in the U.S. International Trade Commission and district courts in the United States and Germany. The case was quickly settled with a patent cross-license. We have also entered into patent cross-licenses with a number of other leading advanced semiconductor companies, including AMD, Samsung and IBM. These cross-licenses provide us with valuable freedom of operation under patents owned or subsequently divested by such companies. As is the case with many companies in the semiconductor industry, we have from time to time received communications from third parties, in particular, so-called non-practicing entities, asserting patents that allegedly cover certain of our technologies, and we expect to receive similar communications in the future. Some of the patents that others have chosen to assert against us are not valid based on pre-existing prior art, and we have successfully defended ourselves using *inter partes* review ("IPR") and other procedures in the U.S. Patent and Trademark Office. Regardless of the validity or the successful assertion of such claims, we could incur significant costs and devote significant management resources to the defense of these claims, which could seriously harm our company. Additionally, many of our agreements with our customers and partners require us to defend such parties against certain IP infringement claims and indemnify them for damages and losses arising from certain intellectual property infringement claims against them. See "Item 3. Key Information—Risk Factors—Intellectual Property—We have been and may continue to become subject to intellectual property disputes, which are costly and may subject us to significant liability and increased costs of doing business."

Environmental, Social and Governance (ESG) Initiatives

We are dedicated to ethical and responsible business practices, the personal and social well-being of our employees, and supply chain and environmental stewardship. ESG is fundamental to our culture and our value proposition to our customers, the communities in which we live and do business, and our full range of global stakeholders.

We currently focus our ESG efforts in the following key areas:

Employee Safety, Health and Well-being

Our Journey to Zero commitment is the leading theme of our Global Environmental Health and Safety ("EHS") Policy and Standards, which serve as the foundation of health and safety programs at each of our manufacturing locations. We strive to continuously reduce occupational injuries and illnesses in all of our operations, and aspire to achieve the goal of zero annual incidents. In November 2020, we received the America's Safest Companies award from EHS Today. Our enterprise-wide health and safety management system is certified to the ISO 45001:2018 standard.

Environmentally Sustainable Manufacturing and Operations

Semiconductor manufacturing is generally resource-intensive. Therefore, our Journey to Zero commitment also represents our pursuit of sustainable and environmentally efficient manufacturing operations, seeking to minimize environmental- and climate-related impacts from our operations through pollution prevention and resource conservation. Our Global EHS Policy and Standards establish a continual improvement process and performance requirements that apply throughout the company. Our enterprise-wide environmental management system is certified to the ISO 14001:2015 standard. In August 2021, we launched our Journey to Zero Carbon commitment that aims to reduce greenhouse gas emissions by 25% by 2030, compared to a 2020 baseline.

Responsible Sourcing

As a member of the Responsible Business Alliance ("RBA"), we are committed to responsible sourcing practices. We progressively apply the RBA Code of Conduct to our major suppliers and monitor its application. We encourage and support our suppliers to do the same in our continuous pursuit of excellence in corporate responsibility and extension of responsible practices throughout the supply chain.

Technology Solutions for Humanity

We are focused on creating innovations in the largest and most pervasive segments of the semiconductor industry. As power efficiency has become a critical success factor for our industry, we strive to develop solutions that can lower the power consumption of digital technology.

Human Capital: Diversity & Inclusion and Talent Development

We believe that our success rests on empowering employees to bring their whole selves to the company and that building a culture of inclusion drives better business outcomes. As a global company, we recognize and value the wide variety of cultural values, traditions, experiences, education and perspectives of our team and communities. We previously established a Diversity & Inclusion office and as of December 31, 2021, we employed a multicultural workforce representing more than 90 nationalities across 13 countries. We believe that our culture of inclusion leads to higher levels of belonging, engagement and ultimately, higher-performing teams. We strive to focus on all aspects of the employee lifecycle, including recruitment, retention, professional development, and advancement of diverse talent. As part of this effort, we established our first employee resource group, GLOBALWOMEN, in 2013 to have a positive impact on our business through the enrichment of our female employees. Since then, we have established the Black Resource Affinity Group (B.R.A.G.), Globalfamilies, the United States Veteran's Resource Group (VRG), and the Early Career and Tenure Resource Group. Employee driven, our employee resource groups support our diversity and inclusion strategy. We use an annual engagement survey process to help measure employee engagement and our diversity and inclusion strategy progress.

Community Support and Engagement

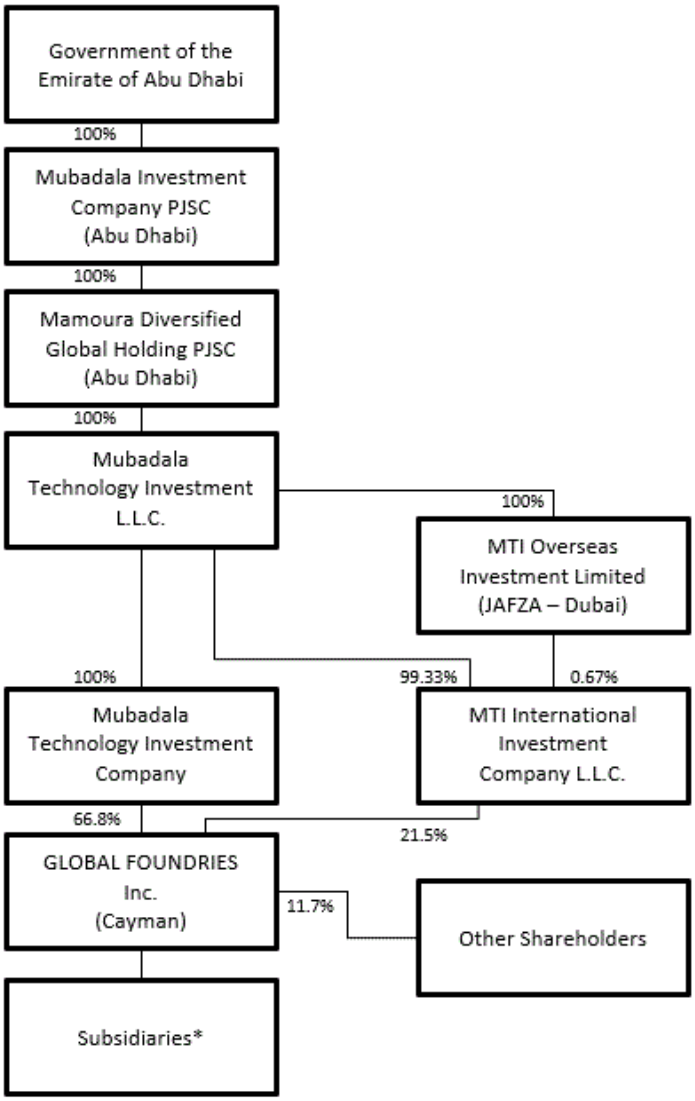
We have a long history of community involvement, with well-established programs and global and local teams dedicated to enriching the lives of the people in our communities around the world. Through our worldwide GlobalGives program, we provide employees with the opportunity to make a positive impact in their local communities through personal donations, company-matched donations as well as through volunteering their time.

Stakeholder Engagement

Our key stakeholders have a significant interest in our business and help shape our company and the products and services we provide. We regularly engage with our employees, customers, communities, suppliers, and industry peers, sharing perspectives and gaining valuable insight relevant to our business and operations.

C. Organizational Structure

The following is a chart of our current corporate structure as of December 31, 2021:



* Please refer to Note 29 to our Annual Consolidated Financial Statements for more information on our subsidiaries.

D. Property, Plant and Equipment

Fab Facilities

In 2021, we shipped approximately 2.4 million 300mm equivalent semiconductor wafers. We currently operate five manufacturing sites in the following locations: Dresden, Germany; Singapore; Malta, New York; Burlington, Vermont; and East Fishkill, New York.

Global Footprint

Our focus on highly-differentiated solutions, quality, security and reliability requires world-class manufacturing capabilities. Since our strategic repositioning in 2018, we have shifted focus to digital, analog, mixed-signal and RF technologies, where we believe we can add significant value. We are streamlining and aligning our manufacturing footprint with this priority.

As part of our strategy to consolidate manufacturing to at-scale sites, on December 31, 2019, we sold our Fab 3E facility and operations in Tampines, Singapore to Vanguard for $236 million.

Furthermore, in April 2019, we agreed to transfer substantially all the assets and employees related to our EFK facility to ON Semiconductor in return for $400 million in consideration and $30 million for a technology license, of which ON Semiconductor paid $100 million upon signing, which included $30 million for the technology license, and an additional $100 million in 2020. This transfer will allow us to refocus investment into differentiated technologies at scale in our three globally diversified 300mm sites in New York, Germany and Singapore. We expect the completion of the asset sale to occur, subject to regulatory approvals, at the end of 2022. Since the transaction was entered into, we have transferred a number of technologies from the EFK facility to our other global manufacturing sites to ensure continuous supply to key customers.

Subsequent to our divestiture of Fab 3E and transfer of the EFK facility, we will have four world-class manufacturing sites on three continents, providing the scale, technology differentiation and geographic diversification that we believe are critically important to our customers' success.

Our manufacturing sites currently occupy an aggregate area of approximately 6.2 million square meters, which equates to approximately 1,170 U.S.-style football fields. The total clean room space is approximately 255,000 square meters spread across five manufacturing sites. Each site is equipped with thousands of highly sophisticated manufacturing equipment and tools. We currently have more than 7,500 tools across all of our fabs. Each site has dedicated power, water, gas and chemical distribution systems.

Our products have applications that span the global markets from mobility to wireless, wired and satellite communication, to automotive, industrial, consumer electronics, to personal computing, data center, to power, power management, photonics and more, with sizes that range from just a few millimeters square to 400 millimeters square, across our six differentiated technology platforms.

Dresden Facility

Our Dresden facility is the largest semiconductor manufacturing site in Europe, with approximately 500,000 300mm equivalent semiconductor wafers shipped in 2021. The facility occupies an area of approximately 407,000 square meters, with clean room extending over an area of approximately 63,000 square meters, which is home to our CMOS and FDX™ process technologies from 55nm down to the 28/22nm node.

In Germany and the rest of Europe, we employ approximately 3,350 people from over 37 nations.

Singapore Facility

Our Singapore facility is one of the largest semiconductor foundry manufacturing sites in South-east Asia, with approximately 1,075,000 300mm equivalent semiconductor wafers shipped in 2021. The facility occupies an area of approximately 182,000 square meters, with clean room extending over an area of approximately 72,000 square meters, which is home to process technology of 40nm to 0.6 micrometer ("μm").

In Singapore, we employ approximately 4,000 people, which we believe makes us the second largest semiconductor-related employer and the largest foundry employer in the country.

Malta, New York Facility

Our Malta, New York facility is the largest and most advanced 300mm pure-play foundry site in the United States, with approximately 357,000 300mm equivalent semiconductor wafers shipped in 2021. The facility occupies an area of approximately 976,000 square meters, with clean room extending over an area of approximately 42,000 square meters, which is home to our FinFET process technology. We believe that our Malta facility is the most advanced ITAR-compliant semiconductor manufacturing facility of its kind in the world.

At our Malta facility, we employ approximately 2,700 people, which we believe makes the facility one of the largest manufacturing employers in the area.

Burlington, Vermont Facility

Our Burlington, Vermont facility is the largest 200mm pure-play foundry site in the United States with approximately 263,000 300mm equivalent semiconductor wafers shipped in 2021. The facility occupies an area of approximately 2.7 million square meters, with clean room extending over an area of approximately 44,000 square meters, which is home to most of our RF process technologies. Our Burlington facility is an accredited member of the DoD's Trusted Foundry Program.

In the State of Vermont, we employ approximately 2,200 people, which we believe makes us one of the largest private-sector employers in the state.

East Fishkill, New York Facility

Our East Fishkill, New York facility is located in the Hudson Valley. The site has been developing and manufacturing a wide range of technologies in Digital Logic, RF SiPh, and now discrete devices for end-customer applications. This facility shipped approximately 138,000 300mm equivalent semiconductor wafers in 2021. The facility occupies over 2 million square meters, with clean room space extending over an area of approximately 33,000 square meters. We agreed to transfer ownership of this facility to ON Semiconductor by the end of 2022, allowing us to refocus investment into differentiated technologies in our three world-scale 300mm sites in New York, Germany and Singapore.

At the East Fishkill facility, we employ approximately 1,250 people, which we believe makes the facility one of the largest manufacturing employers in the area.

The following table describes each of our core manufacturing facilities as of December 31, 2021:

Our Global Manufacturing Footprint

	Key Technologies[1]	Wafer Size (mm)	2021 Shipments (kwpa, 300mm equivalent)	Fully Equipped Clean Room Space (kwpa, 300mm equivalent)
Malta, New York	FinFET, RF SOI, SiPh	300	~357	~570
Burlington, Vermont	RF SOI, SiGe	200	~263	~275
Dresden, Germany	FDX™, NVM, HV, BCDL	300	~500	~850
East Fishkill, New York[2]	HP CMOS, RF SOI, SiPh	300	~138	N/A
Singapore	BCD/BCDL, HV, NVM, DDI, RF SOI, LP SiGe	300, 200	~1,075	~1040[3]

(1) NVM refers to Non-Volatile Memory. eNVM refers to embedded non-volatile memory.
(2) Transfer of ownership of this facility to ON Semiconductor is expected to be completed by the end of 2022.
(3) Excludes Fab 7 Module 7H 450 kwpa expansion under construction.

In early 2021, we announced plans to accelerate the buildout of capacity within our existing fabs to meet committed customer demand. These investments are expected to add scale with attractive economic returns. For new fab expansions that require additional construction beyond our existing clean rooms, our strategy is to continue to build scale in each of our locations through public/private partnerships, coupled where possible with deep customer commitments, as well as advanced payments and capacity reservation fees to secure supply for our customers.

On June 22, 2021, we announced fab expansion plans in Singapore, with the addition of Module 7H, an extension of our existing 300mm Fab 7 operations. We expect to invest close to $4 billion in capital investments to build and fit out the new module, with construction to be completed by the end of 2023 and first products qualified shortly thereafter. The expansion will be funded in part by the Singapore Economic Development Board (“EDB”) in the form of long-term developmental loans and grants. We anticipate hiring an additional 1,000 people to the site, and once fully ramped, we anticipate having an additional 450,000 wafers of 300mm capacity.

On July 19, 2021, we announced fab expansion plans in Malta, New York, including the construction of a new fab on the same campus. We expect to invest approximately $1 billion in capital investments to expand the capacity of the existing fab by approximately 150,000 wafers per year, to be followed by the construction of an additional fab that we expect to double existing capacity. We are planning to fund the expansion through private/public partnerships in the United States.

ITEM 4A. UNRESOLVED STAFF COMMENTS

None.

ITEM 5. OPERATING AND FINANCIAL REVIEWS AND PROSPECTS

How We Generate Revenue

We generate the vast majority of our revenue from wafer fabrication and sales of finished semiconductor wafers, which accounted for approximately 94% of our $6.6 billion of net revenue in 2021. We derived the remainder of our revenue primarily from photomask manufacturing and sourcing services and post-fab manufacturing services. In 2020, our net revenue was $4.9 billion, which included a one-time, non-recurring reduction in revenue due to our moving from recognizing wafer revenue on a Percentage-of-Completion basis to recognizing revenue on a Wafer Shipment basis, as a result of amendments to the majority of our customer contractual terms. See "—Critical Accounting Policies and Estimates—Revenue Recognition." Had the change in terms not occurred, net revenue in 2020 would have been an estimated $810 million higher than reported results and 2020 cost of revenue would have likewise been higher by an estimated $634 million, with a commensurate decrease in our inventories. In addition, we divested our ASIC business in 2019. The divested business generated $391 million of revenue in 2019.

Components of Results of Operations

Net Revenue

We generate the majority of our revenue from volume production and sales of semiconductor wafers, which are priced on a per-wafer basis for the applicable design. We also generate revenue from pre-fabrication services such as rendering of non-recurring engineering ("NRE") services, mask production and post-fabrication services such as bump, test, and packaging. Pricing is typically agreed prior to production and then updated based on subsequent period negotiations.

We recognize the vast majority of our revenue upon shipment of finished wafers to our customers. Prior to 2020, we recognized wafer revenue primarily on a Percentage-of-Completion basis. In 2020, the majority of our customer contractual terms were amended in a manner that resulted in moving from recognizing wafer revenue on a Percentage-of-Completion basis to recognizing revenue on a Wafer Shipment basis. This resulted in a one-time, non-recurring reduction in net revenue recognized in 2020. Our net revenue in 2020 were $4.9 billion, and had the change in terms not occurred, net revenue would have been an estimated $810 million higher than reported results. In addition, we divested our ASIC business in 2019. The divested business generated $391 million of revenue in 2019.

Cost of Revenue

Cost of revenue consists primarily of material expenses, depreciation and amortization, employee-related expenses, facility costs and costs of fixed assets, including maintenance and spare parts. Costs related to NRE services are also included within the cost of revenue.

Material expenses primarily include the costs of raw wafers, test wafers, photomasks, resists, process gases, process chemicals, other operating supplies and external service costs for wafer manufacturing. Depreciation and amortization charges primarily include the depreciation of clean room production equipment. We depreciate equipment on a straight-line basis over a two- to ten-year period and buildings on a straight-line basis over up to 26 years (or the remaining lease term of related land on which the buildings are erected, if shorter). Prior to 2021, we depreciated equipment on a straight-line basis over a two- to eight-year period. Employee-related expenses primarily include employee wages and salaries, social security contributions and benefits costs for operators, maintenance technicians, process engineers, supply chain, IT production, yield improvement and health and safety roles. Facility costs primarily consist of the costs of electricity, water and other utilities and services.

Operating Expenses

Our operating expenses consist of R&D and selling, general and administrative expenses. Personnel costs are the most significant component of our operating expenses and consist of salaries, benefits, bonuses, share-based compensation, and commissions.

Research and Development ("R&D")

Our R&D efforts are focused on developing highly-differentiated process technologies and solutions. As part of our strategic repositioning, we shifted our R&D efforts to focus on technologies where we can deliver a 72 highly-differentiated solution and discontinued our R&D-intensive single-digit node program. Our R&D expense includes personnel costs, materials costs, software license and intellectual property expenses, facility costs, supplies, professional and consulting fees, and depreciation on equipment used in R&D activities. Our development roadmap includes new platform investments, platform features and extensions, and investments in emerging technology capabilities and solutions. We expense R&D costs as incurred. We believe that continued investment in our technology portfolio is important for our future growth and acquisition of new customers. We expect our R&D expense as a percentage of revenue to moderately decline over time as revenue increases.

Selling, General and Administrative ("SG&A")

SG&A expenses consist primarily of personnel-related costs, including sales commissions to independent sales representatives and professional fees, including the costs of accounting, audit, legal, regulatory and tax compliance. Additionally, costs related to advertising, trade shows, corporate marketing and allocated overhead costs are also included in SG&A expenses.

We expect our SG&A expenses to decrease as a percentage of net revenue. We anticipate that we will incur increased accounting, audit, legal, regulatory, compliance and director and officer insurance costs as well as investor and public relations expenses associated with becoming and operating as a public company.

Other Operating Charges

Impairment Charges

We review, at each reporting date, or upon occurrence of a triggering event, the carrying amount of our property, plant and equipment and finite lived intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If it is determined that impairment of an asset has occurred, impairment losses are recognized in the consolidated statements of operations and comprehensive loss to the extent that the recoverable amount, measured at the present value of discounted cash flows attributable to the assets, is less than its carrying value.

Finance Expenses

Finance expenses consists primarily of interest on borrowings, amortization of debt issuance costs under our term loans, revolving credit facility, finance leases and the other credit facilities we maintain with various financial institutions.

Share of Profit from Joint Ventures

Share of profit from joint ventures relates to our portion of profit and loss in investments that we do not consolidate. See Note 14 in our Annual Consolidated Financial Statements for more information.

Gain on Sale of a Fabrication Facility and ASIC Business

Gain on sale of a fabrication facility and ASIC business relates to the sale of Fab 3E facility in Singapore in December 2019, and the sale of our ASIC business in November 2019.

Other Income (Expense), net

Other income (expense), net consists of one-time gains and losses and other miscellaneous income and expense items unrelated to our core operations. Included are payments received related to a recent legal settlement as part of a patent dispute with one of our competitors, as well as one-time gains related to a remeasurement of existing equity interests.

Income Tax Benefit (Expense)

Income tax expense consists primarily of income taxes in certain foreign jurisdictions in which we conduct business, which mainly include Germany, Singapore and U.S. federal and state income taxes.

The following discussion covers items for and a comparison between the years ended December 31, 2019, 2020 and 2021.

A. Results of Operations

The following table sets forth our consolidated statements of operations data for the periods indicated:

	For the year ended December 31,		
	2019	2020	2021
	(dollars in millions)		
Net revenue	$ 5,813	$ 4,851	$ 6,585
Cost of revenue [1][2]	6,345	5,564	5,572
Gross profit	**(532)**	**(713)**	**1,013**
Operating expenses			
Research and development[1][2]	583	476	478
Selling, general and administrative[1][2]	446	445	595
Total operating expense	**1,029**	**921**	**1,073**
Impairment charges	64	23	—
Other operating charges	**64**	**23**	**—**
Loss from operations	**(1,625)**	**(1,656)**	**(60)**
Finance income	11	3	6
Finance expenses	(230)	(154)	(114)
Share of profit of joint ventures	8	4	4
Gains on sale of a fabrication facility and ASIC business	615	—	—
Other income (expense), net	74	440	(12)
Loss before income taxes	**(1,147)**	**(1,363)**	**(176)**
Income tax (expense) benefit	(224)	12	(78)
Net loss	**(1,371)**	**(1,351)**	**(254)**

(1) Includes amortization of acquired intangibles:

	Year ended December 31,		
	2019	2020	2021
	(dollars in millions)		
Cost of revenue	$ 92	$ 100	$ 113
Research and development	$ 104	$ 99	$ 74
Selling, general and administrative	$ 46	$ 85	$ 20

(2) Includes share-based compensation expense as follows:

	Year ended December 31,		
	2019	2020	2021
	(dollars in millions)		
Cost of revenue	$ —	$ —	$ 55
Research and development	$ —	$ —	$ 22
Selling, general and administrative	$ —	$ 1	$ 151

Comparison of Year Ended December 31, 2021 and December 31, 2020

Net Revenue

	Year ended December 31,			
	2020	2021	Change	% Change
	(dollars in millions)			
Net revenue	$ 4,851	$ 6,585	$ 1,734	35.7 %

Net revenue increased by $1,734 million, or 35.7%, for the year ended December 31, 2021, compared to the year ended December 31, 2020. The increase was primarily a result of 2021 wafer shipment volumes, which increased 17% compared to 2020, resulting in an approximately $900 million increase in wafer revenue compared to 2020 and higher ASPs. In addition, in 2020, the majority of our customer contractual terms were amended in a manner that resulted in moving from recognizing wafer revenue on a Percentage-of-Completion basis to recognizing revenue on a Wafer Shipment basis. This resulted in a one-time, non-recurring reduction in net revenue recognized in 2020. Had the change in terms not occurred, our net revenue in 2020 would have been an estimated $810 million higher than reported results.

Cost of Revenue

	Year ended December 31,			
	2020	2021	Change	% Change
	(dollars in millions)			
Cost of revenue	$ 5,563	$ 5,572	$ 9	0.2 %
Gross margin	(14.7) %	15.4 %		*+3008bps*

Cost of revenue increased by $9 million, or 0.2%, for the year ended December 31, 2021, compared to the year ended December 31, 2020. The increase in costs of revenue was driven by higher revenue associated with increased wafer shipments. This increase was offset by lower depreciation and amortization expense of $765 million and, to a lesser extent, improvements associated with manufacturing cost reduction initiatives of $210 million. Additionally, 2020 was impacted favorably by the Percentage-of-Completion change, which lowered cost of revenue in that period by approximately $634 million.

Research and Development Expenses

	Year ended December 31,			
	2020	2021	Change	Change %
	(dollars in millions)			
Research and development expenses	$ 476	$ 478	$ 2	0.4 %
As a % of revenue	9.8 %	7.3 %		

Research and development expenses remained consistent for the years ended December 31, 2021 and December 31, 2020, increasing by $2 million. The year-over-year change was primarily driven by an increase in share-based compensation expense of $22 million, which was offset by a decrease in amortization of intangible assets of $25 million.

Selling, General and Administrative Expenses

	Year ended December 31,					
	2020		2021		Change	Change %
	(dollars in millions)					
Selling, general and administrative expenses	$ 445		$ 595		$ 150	33.7 %
As a % of revenue	9.2	%	9.0	%		

Selling, general and administrative expenses increased by $150 million, or 33.7%, for the year ended December 31, 2021, compared to the year ended December 31, 2020. The increase was primarily attributable to the employee annual incentive plan (AIP) and share-based compensation of $170 million, as well as IPO-related expenses of $24 million. These increases were partially offset by lower depreciation of PPE and amortization of intangible assets of approximately $65 million.

Finance expenses

	Year ended December 31,			
	2020	2021	Change	Change %
	(dollars in millions)			
Finance expenses	$ (154)	$ (114)	$ 40	(26.0) %

Finance expenses decreased by $40 million, or 26.0%, for the year ended December 31, 2021, compared to the year ended December 31, 2020. This decrease was driven by a $325 million reduction in outstanding loan balances and lower interest rates primarily due to a 200bps reduction in margin from a recent refinancing.

Share of profit of joint ventures

	Year ended December 31,			
	2020	2021	Change	Change %
	(dollars in millions)			
Share of profit of joint ventures	$ 4	$ 4	$ —	— %

Share of profit of joint ventures remained flat at $4 million for the years ended December 31, 2021 and 2020, respectively.

Other Income (expense), net

	Year ended December 31,			
	2020	2021	Change	Change %
	(dollars in millions)			
Other income (expense), net	$ 440	$ (12)	$ 452	NM

Other income (expense), net decreased by $452 million for the year ended December 31, 2021, compared to the year ended December 31, 2020. The decrease is due to gains of $333 million related to a legal settlement and remeasurement of existing equity interests in 2020, as well as a $98 million reduction in income from gains on tool sales in 2021 compared to 2020.

Income tax (expense) benefit

	Year ended December 31,			
	2020	2021	Change	Change %
	(dollars in millions)			
Income tax (expense) benefit	$ 12	$ (78)	$ (90)	NM

Income tax expense increased by $90 million for the year ended December 31, 2021, compared to the year ended December 31, 2020. The increase is a result of $59 million of increased expense due to increasing taxable income in Europe and Singapore, and a $64 million tax benefit in 2020 resulting from the extension of a tax incentive in Singapore, which was partially offset by a $33 million reduction in withholding tax related to a legal settlement in 2020.

Comparison of Year Ended December 31, 2020 and December 31, 2019

Net Revenue

	Year ended December 31,			
	2019	2020	Change	% Change
	(dollars in millions)			
Net revenue	$ 5,813	$ 4,851	$ (962)	(16.6)%

Net revenue decreased by $962 million, or 16.6%, for the year ended December 31, 2020, compared to the year ended December 31, 2019. In 2020, the majority of our customer contractual terms were amended in a manner that resulted in moving from recognizing wafer revenue on a Percentage-of-Completion basis to recognizing revenue on a Wafer Shipment basis. This resulted in a one-time, non-recurring reduction in net revenue recognized in 2020. Had the change in terms not occurred, our net revenue in 2020 would have been an estimated $810 million higher than reported results. In addition, we divested our Application Specific Integrated Circuit (“ASIC”) business, which generated $391 million of revenue in 2019. These changes were offset by an increase in wafer shipment volume of approximately 272,000.

Cost of Revenue

	Year ended December 31,			
	2019	2020	Change	% Change
	(dollars in millions)			
Cost of revenue	$ 6,345	$ 5,563	$ (782)	(12.3) %
Gross margin	(9.2)%	(14.7)%		*(5500)bps*

Cost of revenue decreased by $782 million, or 12.3%, for the year ended December 31, 2020, compared to the year ended December 31, 2019. The decrease was attributable to the change in our customer contractual terms, which were amended in a manner that resulted in moving from recognizing wafer revenue on a Percentage-of-Completion basis to recognizing revenue on a Wafer Shipment basis. Had the change in terms not occurred, our cost of revenue in 2020 would have been an estimated $634 million higher than reported results, with a commensurate decrease in inventories. In addition, we divested our ASIC business in 2019. Cost of revenue related to this business was approximately $150 million in 2019.

Research and Development Expenses

	Year ended December 31,			
	2019	2020	Change	Change %
	(dollars in millions)			
Research and development expenses	$ 583	$ 476	$ (107)	(18.4)%
As a % of revenue	10.0 %	9.8 %		

Research and development expenses decreased by $107 million, or 18.4%, for the year ended December 31, 2020, compared to the year ended December 31, 2019. This decrease was due to the sale of our ASIC business, which incurred research and development expenses of $91 million in 2019, and a $9 million increase in grants and NRE, reducing R&D.

Selling, General and Administrative Expenses

	Year ended December 31,			
	2019	2020	Change	Change %
	(dollars in millions)			
Selling, general and administrative expenses	$ 446	$ 445	$ (1)	(0.2)%
As a % of revenue	7.7 %	9.2 %		

Selling, general and administrative expenses decreased by $1 million, or 0.2%, for the year ended December 31, 2020, compared to the year ended December 31, 2019. This decrease was due to a reduction in administrative expenses related to the ASIC business which was sold to Marvell Technology Group Ltd. (“Marvell”).

Other operating charges

	Year ended December 31,			
	2019	2020	Change	Change %
	(dollars in millions)			
Other operating charges	$ 64	$ 23	$ (41)	(64.1)%

Other operating charges decreased by $41 million, or 64.1%, for the year ended December 31, 2020, compared to the year ended December 31, 2019. This decrease was due to lower impairment charges in 2020 related to equipment held for sale.

Finance income

	Year ended December 31,			
	2019	2020	Change	Change %
	(dollars in millions)			
Finance income	$ 11	$ 3	$ (8)	NM

Finance income decreased by $8 million for the year ended December 31, 2020, compared to the year ended December 31, 2019. This decrease was due to lower cash balances and lower interest rates in 2020 compared to 2019, resulting in a decrease of interest earned.

Finance expenses

	Year ended December 31,			
	2019	2020	Change	Change %
	(dollars in millions)			
Finance expenses	$ 230	$ 154	$ (76)	(33.0)%

Finance expenses decreased by $76 million, or 33.0%, for the year ended December 31, 2020, compared to the year ended December 31, 2019. This decrease was driven by lower outstanding loan balances, and matured loans refinanced with lower interest rates.

Share of profit of joint ventures

	Year ended December 31,			
	2019	2020	Change	Change %
	(dollars in millions)			
Share of profit of joint ventures	$ 8	$ 4	$ (4)	NM

Share of profit of joint ventures decreased by $4 million for the year ended December 31, 2020, compared to the year ended December 31, 2019. This decrease was due to the consolidation of our AMTC (as defined below) mask operations joint venture in Germany.

Gain on Sale of a Fabrication Facility and ASIC Business

	Year ended December 31,			
	2019	2020	Change	Change %
	(dollars in millions)			
Gain on sale of a fabrication facility and application specific integrated circuit business	$ 615	$ —	$ (615)	NM

In 2019, we recorded a $197 million gain on sale of Fab 3E and a $418 million gain on the sale of our ASIC business.

Other Income (Expense), net

	Year ended December 31,		$	$
	2019	2020	Change	Change %
	(dollars in millions)			
Other income (expense), net	$ 74	$ 440	$ 366	NM

Other income (expense), net increased by $366 million for the year ended December 31, 2020, compared to the year ended December 31, 2019. This increase was due to gains of $333 million related to a legal settlement and remeasurement of existing equity interests in 2020.

Income tax (expense) benefit

	Year ended December 31,			
	2019	2020	Change	Change %
	(dollars in millions)			
Income tax (expense) benefit	$ (224)	$ 12	$ 236	NM

We had an income tax benefit of $12 million for the year ended December 31, 2020, compared to an income tax expense of $224 million for the year ended December 31, 2019. This change was due to the one-time 2019 deferred tax asset write-down of $190 million in Germany, and a one-time reduction in Singapore deferred tax liabilities of $64 million in 2020, after satisfying investment conditions necessary for an extension of a lower tax rate incentive during the year. This combined year-to-year expense reduction of $254 million was partially offset by a $33 million withholding tax expense on a negotiated lawsuit settlement in 2020.

B. Liquidity and Capital Resources

We have financed operations primarily through cash generated from our business operations, including prepayments under LTAs, debt and government funding. As of December 31, 2020 and 2021, our principal source of liquidity was our cash balance of $908 million and $2,939 million, respectively. As of December 31, 2020, we had an undrawn revolving credit facility of $398 million and a $400 million revolving credit facility made available to us by Mubadala. As of December 31, 2021 we had an undrawn revolving credit facility of $1,000 million, which was upsized in November 2021. Concurrently, we terminated the $400 million Mubadala revolving credit facility. In addition to our available revolvers, which were undrawn as of December 31, 2020, and 2021, we had $2,338 million and $2,013 million of debt outstanding as of December 31, 2020 and 2021, respectively, which was primarily comprised of multiple term loans in various currencies. As of December 31, 2021, we believe that our existing cash, cash equivalents, investments, credit under our revolving credit facility, and cash generated from operations are sufficient to meet our short-term and long-term capital requirements, although we could be required, or could elect, to seek additional funding prior to that time.

The following table shows a summary of our term loan facilities, other debt facilities, which consist primarily of equipment financing and accounts receivable factoring, and our committed undrawn revolvers.

	For the year ended December 31,		
	2019	2020	2021
	(in millions)		
Term loan facilities	$ 1,838	$ 1,771	$ 1,603
Other debt facilities	891	566	410
Revolvers	639	803	1,010

We entered into loan facilities with Mubadala in 2012 to 2016 (collectively, the “Shareholder Loans”). The Shareholder Loans were non-interest bearing and principal repayment, in whole or in part, was entirely at our discretion. The Shareholder Loans had no maturity date. Further, there were no contingent settlements in the agreements. Since the Shareholder Loans did not contain any contractual obligations to deliver cash, but rather allowed us to make repayment at our absolute discretion and further prohibited Mubadala from demanding repayment, we classified the Shareholder Loans as equity within the consolidated financial statements. As of December 31, 2020 and 2021, we had $10,681 million and $0 million of Shareholder Loans, respectively. On October 1, 2021, our board approved an agreement with Mubadala to convert the previously outstanding $10,113 million of the Shareholder Loan balance into additional paid-in-capital (“the Conversion”). The Conversion did not have an impact on shares outstanding or have any dilutive effects, as no additional shares were issued.

Government grants are also a source of capital. Those grants are primarily provided in connection with construction and operation of our wafer manufacturing facilities, employment and R&D. For the years ended December 31, 2019, 2020 and 2021, we received $335 million, $312 million and $83 million, respectively, in proceeds from government grants. The reduction in grants relates to wind down of historical grant programs in New York and Dresden. We expect new grant programs in both the United States and EU.

We monitor capital using a gearing ratio, which is net debt divided by total capital plus net debt. Our policy is to keep the gearing ratio within a range to meet our business needs. Our future capital requirements will depend on many factors, including our revenue growth rate, the timing and the amount of cash received from customers, the timing and extent of spending to support development efforts, the introduction of new and enhanced products and solutions, and the continuing market adoption of our platform. We may from time to time seek to raise additional capital to support our growth. Any equity financing we may undertake could be dilutive to our shareholders, and any additional debt financing we may undertake could require debt services and financial and operational requirements that could adversely affect our business. We cannot provide any assurance that we would be able to obtain future financing on favorable terms or at all.

Cash Flows

The following table shows a summary of our cash flows for the periods presented:

	Years Ended December 31,		
	2019	2020	2021
	(in millions)		
Cash provided by operating activities	$ 497	$ 1,006	$ 2,839
Cash provided by (used in) investing activities	344	(366)	$ (1,450)
Cash (used in) provided by financing activities	(684)	(733)	$ 650
Effect of exchange rate changes on cash and cash equivalents	$ (4)	$ 4	$ (8)
Net increase (decrease) in cash and cash equivalents	$ 153	$ (89)	$ 2,031

Operating Activities

Cash provided by operating activities for the year ended December 31, 2021 of $2,839 million was primarily related to a lower net loss of $254 million, adjusted for $1,619 million of depreciation and amortization of intangible assets. Other drivers for the period include $223 million of share-based compensation expense as well as $93 million of deferred tax assets. Favorable changes in working capital of $1,230 million included an increase in trade and other payables of $1,829 million, which was driven principally by customer prepayments for future wafer shipments. This increase was partially offset by a $387 million increase in receivables and other assets, and a $202 million increase in inventories.

Cash provided by operating activities for the year ended December 31, 2020 of $1,006 million primarily related to our net loss of $1,351 million, adjusted for $2,523 million of depreciation and amortization of intangible assets. Other drivers for the period relate to $154 million of finance expenses, offset by a decrease related to a $79 million gain on sale of plant equipment, and $51 million amortization of government grants. Changes in assets and liabilities were $59 million, which included a decrease in receivables, prepayments and other assets of $753 million and an increase of $21 million of income tax payable, offset by a $560 million increase in inventory and $155 million decrease in trade and other payables. The changes in inventory and prepayments and receivables, prepayments and other assets are primarily driven by impacts related to the change in method of revenue recognition from Percentage-of-Completion basis to Wafer Shipment basis.

Cash provided by operating activities for the year ended December 31, 2019 of $497 million primarily related to our net loss of $1,371 million, adjusted for $2,678 million of depreciation and amortization of intangible assets. The main drivers of the cash provided by operating activities relate to a $615 million gain on transaction-related proceeds primarily consisting of sale of our ASIC business and Fab 3E facility in Singapore as well as changes in working capital, which primarily related to a $144 million increase in receivables, prepayments and other assets, and decrease in trade and other payables of $97 million.

Investing Activities

Cash used in investing activities was $1,450 million for the year ended December 31, 2021, compared to a use of $366 million for the year ended December 31, 2020, reflecting a $1,084 million increase. The year-over-year change was primarily attributable to an increase in purchases of property, plant, equipment and intangibles (“capital expenditures”) of $1,174 million, principally associated with activities to expand capacity within certain of our fabrication facilities. These increases were partially offset by advances and proceeds from the sale of property, plant, equipment and intangible assets.

Cash used in investing activities was $366 million for the year ended December 31, 2020, compared to $344 million of cash provided by investing activities for the year ended December 31, 2019, reflecting a decrease of $710 million year-over-year. This is primarily attributable to lower capital expenditures of $181 million (2020 capital expenditures of $592 million and 2019 capital expenditures of $773 million) offset by lower proceeds of $865 million from transaction-related activities and asset sales.

Financing Activities

Cash provided by financing activities were $650 million for the year ended December 31, 2021, compared to a use of $733 million for the year ended December 31, 2020. This increase was primarily due to $1,444 million of proceeds from our

initial public offering, proceeds from borrowings of $617 million, and proceeds from government grants of $82 million. These were partially offset by $1,528 of repayments of debt, lease obligations, and shareholder loan.

Cash used in financing activities was higher by $49 million for the fiscal year ended December 31, 2020, compared to the same period in 2019. This change was primarily due to the refinancing of existing debt obligations.

Contractual Obligations

As of December 31, 2021, we had $6,399 million of unconditional purchase commitments, $2,995 million of which related to contracts for capital expenditures, and $3,405 million of contracts related to operating expenditures. Of the total balance as of December 31, 2021, $3,543 million is due within the next 12 months. See Note 27 to our Annual Consolidated Financial Statements for additional details.

C. Research and Development, Patents and Licenses

Refer to “Item 4. Information on the Company”, for discussion on our research and development, and intellectual property.

D. Trend information

Our financial condition and results of operations have been, and will continue to be, affected by numerous factors and trends, including the following:

Global Demand for Semiconductor Products

Demand for our products is dependent on market conditions in the end markets in which our customers operate, which are generally subject to seasonality, cyclicality and competitive conditions. Additionally, we derive a portion of our net revenue from sales to customers that purchase large volumes of our products. Customers generally provide periodic forecasts of their requirements, but these forecasts do not commit such customers to minimum purchases except when long-term contracts are in place.

Increasing Design Wins with New and Existing Customers

We believe that we provide highly-differentiated solutions that enable our customers to innovate and deliver exceptional products to the marketplace. A key measure of our success is customer design wins, and as our number of design wins has increased, our customer base has become larger and more diverse, having grown from only one customer, AMD, in 2009, to a global base of more than 200 customers as of December 31, 2021. As design wins for our highly-differentiated solutions are put into production and generate revenue, we expect significant benefits to our bottom line as our core solutions sell at premium pricing. We define a design win as the successful completion of the evaluation stage, where a customer has assessed our technology solution, verified that it meets its requirements, qualified it for their products and confirmed to us their selection.

Increasing Single-sourced Revenue Mix

We manufacture products based on a combination of our own technologies and our customers’ IP, resulting in a significant number of products that can only be sourced from us. Our sales and marketing strategy centers on deepening relationships with top customers and investing in technologies to become their single-source supplier for mission-critical applications. We believe a key measure of our success as a differentiated technology partner to our customers is the mix of our wafer shipment volume attributable to single-sourced business, which represented approximately 62% of wafer shipment volume in 2021, up from 61% in 2020. We define single-sourced products as those that we believe can only be manufactured with our technology and cannot be manufactured elsewhere without significant customer redesigns.

Technology Solution Mix and Pricing

Product mix is among the most important factors affecting revenue and margins, as our wafer price varies significantly across technology platforms. The value of a wafer is determined principally by the uniqueness and complexity of the technology, performance characteristics, yield and defect density. Devices with richer feature sets, higher performance, better yields and greater system-level integration require more substantial R&D investments and more complex manufacturing expertise and equipment, and thus generally command higher wafer prices.

Pricing and margins depend on the volumes and features of the solutions we deliver. We continually monitor and work to reduce the cost of our products and improve the potential value that our solutions deliver to our customers as we target new design win opportunities. While individual product prices may decline, we believe our R&D investments, differentiated product and single-sourced strategy should lead to improvements in pricing mix and overall ASPs if we compete effectively.

We establish pricing levels for specific periods of time with our customers, some of which are subject to adjustment during the course of that period to take into account market conditions and other factors. We believe our efforts to provide a wide range of highly-differentiated solutions support our premium position in the marketplace.

Customer Advanced Payments

We recently began to more frequently enter into multiple long-term supply agreements with leading companies in the industry. Many of these contracts include customer advanced payments and capacity reservation fees in order to secure future supply. We have in place multiple long-term supply agreements with approximately $21 billion in aggregate lifetime revenue commitment, as of December 31, 2021.

Government Policy and Grants

We have received investment grants from the Federal Republic of Germany, the State of Saxony, various agencies of the Government of Singapore and the Empire State Development Corporation in New York. These grants are primarily provided in connection with construction and operation of our wafer manufacturing facilities, employment and R&D. We incorporate committed government grants into our planning process for future expansions.

Shipment Utilization

Beginning in 2020, our shipment utilization rates began to increase significantly compared to prior years, as we have optimized and streamlined our manufacturing footprint. We define shipment utilization as the ratio of wafer shipment volume divided by our estimated total capacity for wafer manufacturing in a specified period. Shipment utilization remains a very important factor in driving our financial performance, as we incur significant costs regardless of the number of wafers we actually produce. These fixed costs include staffing, electricity, infrastructure, depreciation and maintenance costs at each fab.

Our average shipment utilization rate across our 300mm fabs was 70%, 84% and 106% for the years ended December 31, 2019, 2020 and 2021, respectively. Factors affecting shipment utilization rates include efficiency in production facilities, complexity and mix of wafer types ordered by customers, including the impact of export controls and other regulatory changes affecting customers and competitors. Our production capacity is determined based on the capacity ratings of the equipment in the fab, adjusted for expected down time due to set up for production runs and maintenance and R&D. In 2021, we exceeded our production capacity in order to meet customer demand; this was largely achieved through a continuous improvement focus on the overall efficiency and productivity of our manufacturing operations.

E. Critical Accounting Policies and Estimates

Our Annual Consolidated Financial Statements and the related notes included elsewhere in this Annual Report are prepared in accordance with IFRS. The preparation of our Annual Consolidated Financial Statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, costs and expenses, and related disclosures. We base our estimates on historical experience and on various other assumptions that are available to us at the time, which we believe to be reasonable under the circumstances. Actual results could differ significantly from the estimates made by management. To the extent there are differences between our estimates and actual results, our future financial statement presentation, financial condition, results of operations and cash flows will be affected.

We believe that the accounting policies described below involve a greater degree of judgment and complexity. Accordingly, these are the policies we believe are the most critical to aid in fully understanding and evaluating our consolidated financial condition and results of operations.

Revenue Recognition

We recognize revenue when control of the promised goods or services is transferred to customers for an amount that reflects the consideration that we expect to receive in exchange for those goods or services. Generally, our customers obtain control at the point of shipment from our facilities for wafers, and over time for pre-fabrication services such as non-recurring engineering services and mask production based on a percentage of costs incurred over total expected costs. Sales taxes collected from customers and remitted to governmental authorities are accounted for on a net basis and therefore excluded from revenue in the consolidated statements of operations and comprehensive loss.

Prior to 2021, we concluded that we met the criteria to recognize revenue for wafers over time upon the initial application of IFRS 15, “Revenue from Contracts with Customers” in 2018, on the basis that we fabricated customized wafers to customers’ specifications and had contractual enforceable right to payment including a reasonable profit (due to the existence of cancellation clauses for each arrangement). Thus, we previously recognized wafer revenue over time during the manufacturing process, based on a percentage of wafer costs incurred over total expected wafer costs (“Percentage-of-

Completion basis"). Cost of revenue was recognized in the same period as related revenue. During the year ended December 31, 2020, we modified the cancellation terms of our contracts with customers that are applicable to wafer products. As a result, we no longer met the criteria to account for revenue recognition from contracts with customers over time on the outstanding purchase orders at the contract modification date, and future orders thereafter. Consequently, we now recognize revenue on the impacted outstanding wafers orders and future orders at the point at which control of the wafers is transferred to the customer, which we determined to be at the point of wafer shipment from our facilities ("Wafer Shipment basis"). Cost of revenue is recognized at the same time as related revenue, at the point of shipment. Prior to the point of shipment, inventories are increased to reflect costs incurred.

We recognize revenue at transaction prices that we determine using contractual prices reduced by sales returns and allowances, which we estimate based on historical experience having determined that a significant reversal in the amount of cumulative revenue recognized is not probable to occur. We recognize refund liabilities for estimated sales returns and allowances based on the customer complaints, historical experience and other known factors.

We recognize accounts receivable when we transfer control of the goods or services to customers and have a right to an amount of consideration that is unconditional. Such accounts receivable are short term and do not contain a significant financing component. For certain contracts that do not provide us unconditional rights to the consideration, and the transfer of controls of the goods or services has been satisfied, we recognize contract assets and revenue.

We account for consideration received from customers prior to having satisfied our performance obligations as contract liabilities which are transferred to revenue after the performance obligations are satisfied. We recognize costs to fulfill a contract when the costs relate directly to the contract, generate or enhance resources to be used to satisfy performance obligations in the future, and are expected to be recovered. We recognize the costs and revenue when we satisfy our performance obligations to customers upon transfer of control of promised goods and services.

Inventory Valuation

As a build-to-order foundry, we procure raw materials based on forecasted demand and produce work-in-progress and finished goods inventory against specific customer purchase orders. We state inventories at the lower of cost or net realizable value for finished goods, work-in-progress, raw materials, and spare parts. The cost of supplies is determined based on a weighted-average cost formula. We make inventory write-downs on an item-by-item basis, except where it may be appropriate to group similar or related items.

A significant amount of our manufacturing cost is fixed because our global footprint of manufacturing facilities that are the source of our production capacity require substantial investment for construction and fit up. These are largely fixed-cost assets once they become operational. Utilization of these assets can have a material impact on product cost of revenue and inventory valuations. Our objectives for inventory are to maintain high levels of customer service, maintain stable and competitive lead times, minimize inventory obsolescence and optimize manufacturing asset utilization.

We value work-in-process and finished goods product cost based on a standard costing approach. We base standard cost on the planned utilization of installed factory capacity and adjust it annually as factory capacity conditions change and cost efficiencies are realized. We make allowances for saleability quarterly based on the aging characteristics of our inventory. Additionally, we make allowances where necessary to ensure saleable inventory is valued at a realizable value based on customer pricing agreements.

Realization of Deferred Income Tax Assets

When we have temporary differences in the amount of tax expenses recorded for tax purposes and financial reporting purposes, we may be able to reduce the amount of tax that we would otherwise be required to pay in future periods. We generally recognize deferred tax assets to the extent that it is probable that sufficient taxable income will be available in the future to utilize such assets. We record the income tax benefit or expense when there is a net change in our total deferred tax assets and liabilities in a period. The ultimate realization of the deferred tax assets depends upon the generation of future taxable income during the periods in which the temporary differences may be utilized. Specifically, the realization of deferred income tax assets is impacted by our expected future revenue growth and profitability, tax holidays and the amount of tax credits that can be utilized within the statutory period. In determining the amount of deferred tax assets as of December 31, 2020 and 2021, we considered past performance, the general outlook of the semiconductor industry, business conditions, future taxable income and prudent and feasible tax planning strategies.

Because the determination of the amount of deferred tax assets that can be realized is based, in part, on our forecast of future profitability, it is inherently uncertain and subjective. Changes in market conditions and our assumptions may cause the actual future profitability to differ materially from our current expectation, which may require us to increase or decrease the deferred tax assets that we have recorded. As of December 31, 2020 and 2021, deferred tax assets were $444 million and $353 million, respectively.

Property, Plant and Equipment

We make estimates and assumptions when accounting for property, plant and equipment. We compute depreciation using the straight-line method over the estimated useful life of the assets, and our depreciation expense is highly dependent on the assumptions we make about the estimated useful life of our assets. We estimate the useful life of our property, plant and equipment based on our experience with similar assets and our estimate of the usage of the asset. Whenever events or circumstances occur that change the estimated useful life of an asset, we account for the change prospectively. We must also make judgments about the capitalization of costs. We capitalize costs of major improvements, while we charge costs of normal repairs and maintenance to expense as incurred. If an asset or asset group is disposed of or retired before the end of its previously estimated useful life, we may be required to accelerate our depreciation expense or recognize a loss on disposal.

During the first quarter of 2021, we revised the estimated useful life of certain production equipment and machinery from a range of five to eight years, to ten years. We made this change to better reflect the expected pattern of economic benefits from the use of the equipment and machinery over time, based on an analysis of production equipment's current use, historical age patterns, and future plans and technology roadmaps, as well as an analysis of industry trends and practices. The analysis concluded that an increase in useful lives was warranted, and consistent with the Company's continuing portfolio shift from leading-edge to feature-rich trailing edge technologies. The change in estimated useful life is a change in accounting estimate that was applied prospectively from January 1, 2021. Refer to Note 3 to our Annual Consolidated Financial Statements included elsewhere in this Annual Report for additional details.

Share-Based Payment

We measure and recognize compensation expense related to share-based transactions, including employee, consultant, and non-employee director share option awards, in the Annual Consolidated Financial Statements based on fair value. We estimate the share option fair value at the date of grant using the Black-Scholes option pricing model, which requires management to make certain assumptions of future expectations based on historical and current data. The assumptions include the expected term of the share option, expected volatility, dividend yield, and risk-free interest rate. The expected term represents the amount of time that options granted are expected to be outstanding, based on forecasted exercise behavior. The risk-free rate is based on the rate at grant date of zero-coupon U.S. Treasury notes with a term comparable to the expected term of the option. We estimate expected volatility based on the historical volatility of comparable public entities' share price from the same industry. We base our dividend yield on forecasted expected payments, which we expect to be zero for the immediate future. We recognize compensation expense over the vesting period of the award on a graded attribution basis, and we estimate forfeitures.

We will continue to use judgment in evaluating the assumptions related to our share-based compensation on a prospective basis. As we continue to accumulate additional data related to our ordinary shares, we may have refinements to our estimates, which could materially impact our future share-based compensation expense.

See Note 30 to our Annual Consolidated Financial Statements for more information.

Off Balance Sheet Arrangements

During the periods presented, we did not have, and we do not currently have, any off-balance sheet financing arrangements or any relationships with unconsolidated entities or financial partnerships, including entities sometimes referred to as structured finance or special purpose entities, that were established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes.

Safe Harbor

See "Cautionary Statement Regarding Forward-Looking Information".

ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

A. Directors and Senior Management

The following table sets forth information for our executive officers and directors as of the date of this Annual Report:

Name	Age	Title
Executive Officers		
Dr. Thomas Caulfield	63	President and Chief Executive Officer, Board Director
David Reeder	47	Chief Financial Officer
Kay Chai (KC) Ang	63	Senior Vice President
Saam Azar	45	Chief Legal Officer
Juan Cordovez	43	Senior Vice President
Emily Reilly	57	Senior Vice President
Board of Directors		
Ahmed Yahia Al Idrissi	49	Chairman
Dr. Thomas Caulfield	63	President and Chief Executive Officer, Board Director
Ahmed Saeed Al Calily	48	Board Director
Tim Breen	44	Board Director
Glenda Dorchak	67	Board Director
Martin L. Edelman	80	Board Director
David Kerko	48	Lead Independent Director
Jack Lazar	56	Board Director
Elissa E. Murphy	53	Board Director
Carlos Obeid	57	Board Director
Bobby Yerramilli-Rao	55	Board Director

Executive Officers

Dr. Thomas Caulfield is the President and Chief Executive Officer (CEO) of GF and was elected to the board of directors in March 2018. Dr. Caulfield joined the Company in May 2014 as Senior Vice President and General Manager of the company's Fab 8 semiconductor wafer manufacturing facility in Malta, NY, where he led operations, expansion and the ramp-up of semiconductor manufacturing production, and the process development organization. Dr. Caulfield has an extensive career spanning engineering, executive management and global operational leadership with leading technology companies. Prior to joining GF, Dr. Caulfield served as President and Chief Operations Officer (COO) at Soraa from May 2012 to May 2014, the world's leading developer of GaN on GaN™ (gallium nitride on gallium nitride) solid-state lighting technology. Before Soraa, Dr. Caulfield served as President and COO of Ausra from 2009 to 2010, a leading provider of large-scale concentrated solar power solutions for electrical power generation and industrial steam production. Prior to leading at Ausra, Dr. Caulfield served as Executive Vice President of Sales, Marketing and Customer Service at Novellus Systems, Inc. Before that, Dr. Caulfield spent 17 years at IBM in a variety of senior leadership roles, ultimately serving as Vice President of 300mm semiconductor operations for IBM's Microelectronics division, leading its wafer fabrication and R&D operations in East Fishkill, NY. He currently serves as a member of the board of directors for Western Digital Corporation. Dr. Caulfield earned a Bachelor of Science in Physics from St. Lawrence University before entering Columbia University's Fu Foundation School of Engineering and Applied Science, where he earned both his Bachelor and Master of Science in Materials Science and Engineering as well as a Doctorate in Materials Science and Engineering. Dr. Caulfield

was also a postdoctoral fellow at Columbia's Engineering Center for Strategic Materials.

David Reeder is Chief Financial Officer (CFO) of GF, responsible for the Company's financial strategy and leading the global financial, information technology, supply chain and procurement organizations. He joined GF in August 2020 and has extensive experience in the semiconductor industry and other fields. Previously, he was Chief Executive Officer for Tower Hill Insurance Group from 2017 to 2020. Prior to that, he was President and CEO for Lexmark International, Inc. from 2015 to 2017. Earlier in his career, Mr. Reeder was CFO at Electronics for Imaging from 2014 to 2015 and Cisco's Enterprise Networking Division from 2012 to 2014, and held executive positions at Broadcom and Texas Instruments. Mr. Reeder currently serves as a member of the board of directors of the National Action Council for Minorities in Engineering. He holds a Bachelor of Science degree in Chemical Engineering from University of Arkansas and a Master of Business Administration degree from Southern Methodist University.

Kay Chai (KC) Ang is Senior Vice President of Global Fab Operations for GF since October 2020. Mr. Ang joined GF in July 2009 and has served in a variety of senior leadership roles for the Company including head of all of our Singapore operations from 2012 to 2020 and as head of the Fab 1 manufacturing facility, customer engineering and corporate quality organizations. Mr. Ang has more than 30 years of foundry industry experience with a proven track record in manufacturing operations, fab start-up, and technology transfer. Prior to joining the company, he held senior leadership positions at Chartered Semiconductor Manufacturing from 1988 to 2009, including Senior Vice President of Sales and Marketing with responsibility for global sales, marketing, services, customer support and regional business operations, and Senior Vice President of Fab Operations, with responsibility for manufacturing strategy and operational excellence. He is also the SEMI Southeast Asia Regional Advisory Chairman and the Board Advisor to Singapore Semiconductor Industry Association. Mr. Ang holds a bachelor's degree in Mechanical Engineering from National Taiwan University and a master's degree in Engineering from University of Texas.

Saam Azar is Chief Legal Officer for GF since January 2017. He oversees all legal, compliance, government relations, strategic transactions and M&A matters worldwide. Mr. Azar also serves as Secretary to the GF board of directors and has been involved with the company since its founding in 2009. From 2006 to 2017, Mr. Azar has also served in various roles for GF's majority shareholder, Mubadala Investment Company, as a senior member of the Legal & Compliance Unit, working primarily on complex, cross border partnerships. Prior to Mubadala, he worked as a corporate associate at the international law firm of Cleary Gottlieb in New York, where he supported numerous corporate transactions with an emphasis on debt and equity capital markets. Mr. Azar holds a J.D. from New York University School of Law and a Bachelor of Science degree in Civil and Environmental Engineering from Duke University.

Juan Cordovez is Senior Vice President of Global Sales for GF since July 2019, leading client-facing functions including sales, commercial operations, field applications and customer engineering. Prior to his current role, Mr. Cordovez led GF's EMEA and later APAC sales from 2016 to 2019. Prior to that, Mr. Cordovez led GF's Customer Design Enablement Team including the PDK, device modeling and field applications engineering teams from 2013 to 2016. Prior to joining GF, Mr. Cordovez was founder and Vice President of Sentinel IC Technologies from 2008 to 2013 and Manager of Design Enablement at Jazz Semiconductor from 2002 to 2008. He holds a Master of Science degree in Electrical and Computer Engineering from the University of California, Irvine.

Emily Reilly is Senior Vice President of Human Resources at GF since March 2018 and has worldwide responsibility for all aspects of strategic human resources including talent and leadership development, delivering world-class people solutions, shaping the company's culture and creating an environment of diversity, inclusion and belonging within GF. A member of GF's original startup team, she joined the Company in 2009 and has been instrumental in GF's growth into a thriving, global organization of approximately 14,600 employees. Prior to joining GF, she worked in several roles as an engineer with GE Advanced Materials and Momentive Performance Materials, and held leadership roles at GE in both engineering and human resources. Ms. Reilly serves on the Women's Leadership Council of the Global Semiconductor Association (GSA), providing inspiration and sponsorship for the next generation of women leaders. She holds a Bachelor of Science degree in Industrial Engineering from Cornell University.

Board of Directors

Ahmed Yahia Al Idrissi was elected to the board of directors as Chairman in December 2013. Mr. Al Idrissi is currently the Chief Executive Officer, Direct Investments at Mubadala Investment Company with oversight of the energy, chemicals, technology, life sciences, consumer, industrial and financial services portfolios. Prior to joining Mubadala, Mr. Al Idrissi was a Partner at McKinsey, where he co-led the Principal Investor practice and was also the Managing Partner of the Abu Dhabi practice. He was formerly a Marketing Manager at Procter & Gamble, where he led several flagship brands. He also serves as Chairman of the board of directors of Compañía Española de Petróleos (Cepsa), and of NOVA Chemicals, and is a member of the board of directors of Emirates Global Aluminium, Mubadala Capital and PCI Pharma Services. Previously, Mr. Al Idrissi served as a board member for AMD from 2012 to 2019. He holds a Bachelor of Science in Industrial Engineering from École Centrale Paris and a Master of Science in Mechanical Engineering from the Massachusetts Institute of Technology.

Dr. Thomas Caulfield is the President and Chief Executive Officer (CEO) of GF and was elected to the board of directors in March 2018. Please see above under "Executive Officers" for a description of the business experience of Dr. Caulfield.

Ahmed Saeed Al Calily was elected to the board of directors in March 2018. Mr. Al Calily is the Chief Strategy & Risk Officer for Mubadala Investment Company, with oversight over portfolio strategy, enterprise risk management, and responsible investing. Prior to that, Mr. Al Calily was the Chief Executive Officer of Energy at Mubadala, where he oversaw the company's energy assets. Prior to re-joining Mubadala, Mr. Al Calily was director general of the Abu Dhabi Technology Development Committee and Chief Executive Officer and managing director of the Abu Dhabi Ports Company. Mr. Al Calily also served as deputy director of the infrastructure and services unit at Mubadala. He currently serves as a member of the board of directors at Abu Dhabi Future Energy Company (Masdar), Cleveland Clinic Abu Dhabi LLC, Medical Holding Company LLC and Abu Dhabi Commercial Bank PJSC. Mr. Al Calily holds a bachelor's degree in Economics and Political Science from Boston University.

Tim Breen was elected to the board of directors in January 2018. In 2020, he served as Executive Vice President of Strategy and Business Performance and as senior counselor to the Chief Executive Officer. Prior to that, he served as the Executive Vice President of Strategy and Business Transformation from 2018 to August 2020. He is currently a member of the senior leadership team of Mubadala Investment Company and head of its New York Office, responsible for the firm's direct investments in the technology and consumer sectors and serves on the board of directors of several of Mubadala's North American investments, including NOVA Chemicals, and Truck Hero. Prior to joining Mubadala, Mr. Breen was a Partner with McKinsey. in Abu Dhabi. He holds a Master of Business Administration degree from London Business School.

Glenda Dorchak was elected to the board of directors in June 2019. Ms. Dorchak spent over thirty years in operational leadership roles in the technology industry, most recently as Executive Vice President and General Manager of Global Business with Spansion, Inc., a flash memory manufacturer. She started her career with 20 years at IBM where she held a range of operating roles including General Manager PC Direct. She eventually moved to e-retail startup Value America where she was part of the IPO team eventually becoming Chairman and CEO. She also served as Vice President and General Manager of Intel Broadband Products Group and Vice President and General Manager of Intel Consumer Electronics Group. After Intel, Ms. Dorchak was Chairperson and Chief Executive Officer of Intrinsyc Software and Vice Chairman and Chief Executive Officer of VirtualLogix. Ms. Dorchak currently does advisory and board work and serves as a member of the board of directors at ANSYS, Inc. and Wolfspeed Inc.

Martin L. Edelman was elected to the board of directors in February 2017. Mr. Edelman serves as "Of Counsel" in the real estate practice of Paul Hastings LLP. He has been an advisor to Grove Investors and is a partner at Fisher Brothers, a real estate partnership. Mr. Edelman is a Director of Blackstone Mortgage Trust, Inc. and Aldar Properties and currently serves on the boards of various nongovernmental organizations. Previously, Mr. Edelman served as a board member for AMD from 2013 to 2017. He has more than 40 years of experience and concentrates his practice on real estate and corporate mergers and acquisitions transactions. Mr. Edelman holds a Bachelor of Arts degree from Princeton University and a law degree from Columbia Law School.

David Kerko was elected to the board of directors in January 2018. Mr. Kerko is Head of North America Private Equity at Elliott Investment Management L.P. Prior to joining Elliott, Mr. Kerko was an advisor, member and co-head of the Technology Group at Kohlberg Kravis Roberts & Co. Inc. (KKR). Prior to joining KKR, he worked for Gleacher NatWest Inc. on mergers and acquisition transactions and financing. Mr. Kerko is a member of the board of directors of Cubic Corporation. Mr. Kerko holds a Bachelor of Science degree and a Bachelor of Science in Engineering degree, summa cum laude, from the University of Pennsylvania.

Jack Lazar was elected to the board of directors in July 2021. Mr. Lazar has spent over thirty years in operational and finance leadership roles at technology companies across multiple industries, most recently as Chief Financial Officer of GoPro, Inc., which he helped to take public in 2014. Prior to GoPro, Mr. Lazar served as Senior Vice President of Corporate Development and General Manager of Qualcomm Atheros, Inc. From 2003 until the time in which it was acquired by Qualcomm in 2011, he served in a variety of leadership roles at Atheros Communications, Inc. most recently as Chief Financial Officer and Senior Vice President of Corporate Development. In 2004, Mr. Lazar was part of the team that took Atheros public. He also served in leadership roles at NetRatings, Apptitude, and Electronics for Imaging, Inc. Mr. Lazar currently serves as a member of the board of directors of several publicly traded companies including Box, Inc., Resideo Technologies Inc., Silicon Labs, Inc. and thredUP Inc. He holds a Bachelor of Science in Commerce degree with an emphasis in Accounting from Santa Clara University and is a certified public accountant (inactive).

Elissa E. Murphy was elected to the board of directors in September 2021. Ms. Murphy has served as a Vice President of Engineering at Google, Inc. since 2016. Prior to Google, she was the Chief Technology Officer and Executive Vice President of Cloud Platforms at GoDaddy from 2013 to 2016. Ms. Murphy previously served as Vice President of Engineering at Yahoo! from late 2010 to 2013, where she oversaw the world's largest private Hadoop cluster, a technology essential to massive-scale computing that is the basis of big data today. Prior to her time at Yahoo!, Ms. Murphy spent 13 years at Microsoft in various engineering positions including part of the original team responsible for Microsoft's shift to the

cloud, which led to the creation of Azure, and as a member of the High Performance Computing team. Ms. Murphy began her technology career designing and building many of the best-selling computer security and system utilities with 5th Generation Systems, Quarterdeck and the Norton Group, a division at Symantec responsible for Norton Antivirus and other Norton products. Ms. Murphy brings expertise in global-scale platforms, big data and predictive analytics to our Board. She currently has over 30 patents issued with several more pending in the areas of distributed systems, cloud, machine learning and security.

Carlos Obeid was elected to the board of directors in January 2012. Mr. Obeid is currently the Chief Financial Officer of Mubadala Investment Company, with oversight of its commercial functions including treasury, investor relations, financial planning, business performance, financial governance and reporting. Before joining Mubadala, Carlos worked with the United Arab Emirates Offset Program Bureau where he led a wide range of initiatives including privatization, utilities and financial services. He serves as the chairman of the board of directors of Mubadala Infrastructure Partners Ltd. and is a member of the board of directors of Cleveland Clinic Abu Dhabi LLC, Mubadala Capital LLC and Abu Dhabi Commercial Bank PJSC. Carlos holds a Bachelor of Science in Electrical Engineering degree from American University of Beirut, Lebanon, and a Master of Business Administration degree from INSEAD in Fontainebleau, France.

Bobby Yerramilli-Rao was elected to the board of directors in March 2022. Dr. Yerramilli-Rao has served as Chief Strategy Officer and Corporate Vice President, Corporate Strategy at Microsoft Corporation since 2020. Prior to Microsoft, he was Co-founder and Managing Partner of Fusion Global Capital, from 2011 to 2020. Dr. Yerramilli-Rao previously served as Corporate Strategy Director and Internet Services Director of Vodafone, from, 2006 to 2010, where he was responsible for strategy and acquisitions related to digital services, serving on the company's investment committee. Prior to his time at Vodafone, Dr. Yerramilli-Rao spent more than a decade at McKinsey, elected partner in 2000 and helping co-lead the telecom, media and technology practice. Dr. Yerramilli-Rao currently serves as a member of the board of directors of Cambridge Epigenetix. He holds a Master of Arts degree in Electrical Engineering from the University of Cambridge and a Doctorate in Robotics from the University of Oxford.

B. Compensation

Under Cayman Islands law, we are not required to disclose compensation paid to our directors and executive officers on an individual basis and we have not otherwise publicly disclosed this information elsewhere.

For the year ended December 31, 2021, the aggregate compensation paid by us and our subsidiaries for our directors and executive officers for services in all capacities to us and our subsidiaries was $33 million which includes both benefits paid in kind and compensation, as well as the grant of in the aggregate, 150,385 restricted share units, and the grant of share option awards to purchase, in the aggregate, 340,759 ordinary shares with an exercise price equal to $10.00 per ordinary share pursuant to the terms and conditions of our 2018 Equity Plan. Share Units and Share option awards granted pursuant to our 2018 Equity Plan vest or are exercisable and expire as set forth in "2018 Equity Plan" below.

Of the amounts above, for the year ended December 31, 2021, $71,000 was set aside or accrued by us or our subsidiaries to provide defined contribution retirement benefits or similar benefits to our directors and executive officers.

In addition, some share options are expected to be exercised in calendar year 2022 as a result of our long term incentive plans. The number of share options that are currently expected to be exercised in calendar year 2022 is approximately 12.2 million.

Our executive compensation philosophy includes the following objectives:

- To pay for performance;
- To attract, develop, reward, and retain great talent; and
- To motivate our talent to achieve short-term and long-term goals that lead to sustainable long-term shareholder value creation.

Our executive officers receive fixed and variable compensation. They also receive benefits in line with market practice and with the benefits extended to our broad-based employee population.

The fixed component of compensation consists of base salary. This provides a fixed source of income and acts as foundation for other pay components. The base salary is reflective of executive role, responsibility, and individual performance, and it is designed to be market-competitive and attract and retain critical talent. We review base salaries annually, and make adjustments as appropriate based on market, performance and any change in responsibility.

In 2021, the variable pay elements of our executive officers' compensation consisted of an annual incentive program ("AIP") and a long-term share option or share unit program.

While none of our directors have service contracts with us or our subsidiaries that provide for benefits upon termination of their services, consistent with market practice, certain of our executive officers are entitled to certain benefits upon termination, including a cash severance payment if we terminate their employment without cause.

Annual Incentive Program

The AIP is a short-term annual cash incentive that incentivizes and rewards our executive officers for achieving critical company financial and operational goals as well as individual goals. Each of our executives has an AIP target opportunity, set as a percentage of their base salary, which is reviewed annually to assure that both our performance and pay opportunities are aligned with competitive practices and that our rewards are reflective of company and individual performance.

In 2021, our executive officers' awards under the AIP were determined as follows:

- 50% based on our financial and operational performance;
- 30% based on individual performance on key objectives; and
- 20% based on our CEO's discretion including but not limited to: leadership, employee engagement, diversity & inclusion, collaboration, business process improvement, strategic contributions and business context.

For our CEO and CFO, their 2021 AIP award payout was 75% based on our financial and operational performance and 25% as a discretionary component determined by our board of directors.

2017 LTIP

We maintain a long-term incentive plan (the "2017 LTIP") pursuant to which a small number of current employees hold vested share options that were granted in 2017. Vested share options granted under the 2017 LTIP become exercisable upon the first anniversary of an IPO or change in control occurring following the vesting date but during the term of the share option. In connection with the establishment and adoption of the 2018 Equity Plan, we ceased making awards under the 2017 LTIP. As of December 31, 2021, there are 54,651 nonqualified share options to buy ordinary shares outstanding under the 2017 LTIP.

2018 Equity Plan

We maintain a long-term equity incentive program (the "2018 Equity Plan") designed to enable our executives and select other high-performing and high-potential participants to share in the value creation of the company as we execute our business plan and deliver returns to our shareholders. Officers, employees, consultants, advisors and members of our board of directors are eligible to participate in the 2018 Equity Plan. The 2018 Equity Plan is administered by our people and compensation committee, which was delegated authority to administer the 2018 Equity Plan by our board of directors.

Awards under the 2018 Equity Plan may be granted in the form of nonqualified share options, share awards, or share unit awards. The vesting conditions and all other terms of these awards will be determined by the administrator of the 2018 Equity Plan and set out in the applicable award agreements.

Participants in the 2018 Equity Plan typically receive a one-time grant upon hire or promotion into an eligible role. Generally, awards of share options granted in 2020 or later vest over four years, with 25% of the share options vesting on the later of December 31 of the first four years following the grant date and the six-month anniversary of the consummation of our initial public offering, subject to continued employment through the applicable vesting date (with limited exceptions for certain qualifying terminations). The majority of share options granted in 2019 vest over five years, with 20% of the options vesting on the later of December 31 of the first five years following the grant date and the six-month anniversary of the consummation of our initial public offering, subject to continued employment through the applicable vesting date (with limited exceptions for certain qualifying terminations). Share options held by U.S. taxpayers that vest on the six-month anniversary of our initial public offering will be exercisable for a period commencing on the vesting date and ending on a fixed date in 2022. Any outstanding in the money exercisable share options not exercised as of the end of such period will be automatically exercised on the last day of such period. All other outstanding share options held by U.S. taxpayers will become exercisable for a period commencing on January 1 of the year following the year in which such share options vest and ending on a fixed date in such year, with any outstanding exercisable share options not exercised as of the end of such period being automatically exercised as of the last day of such period. Share options held by non-U.S. taxpayers will become exercisable on the date such share options vest and will remain exercisable, pursuant to normal share option exercise procedures under the terms and conditions of the 2018 Equity Plan for the duration of the term of the share option, with any outstanding exercisable share options not exercised before the expiration of such share options in accordance with their terms being automatically exercised as of the expiration date of the share options by means of "net exercise" in order to satisfy the exercise price and applicable taxes due in respect of such share options.

As of December 31, 2021 there are 21,694,907 nonqualified share options to buy ordinary shares and 847,430 restricted share unit awards to our employees outstanding. Generally, awards of restricted share units vest over four years, with 25% of the share units vesting on each of the first four anniversaries of the earlier of the grant date or the participant's hire or promotion date, subject to continued employment through the applicable vesting date (with limited exceptions for certain qualifying terminations). Certain restricted share unit grants made to certain current and former non-employee members of our board of directors in connection with our initial public offering generally vest over three years, with 33% of the share units vesting on the first three anniversaries of the grant date, subject to their continued provision of services (whether as a non-employee director or otherwise) to the company through the applicable vesting date.

As of December 31, 2021, there are 2,457,663 ordinary shares that remain available for grant under the 2018 Equity Plan. No awards may be granted under the 2018 Equity Plan after our board of directors terminates the 2018 Equity Plan or ten years from its effective date, whichever is earlier.

Shareholder Proceeds Bonus Program

We maintain a bonus program (the "Shareholder Proceeds Bonus Program") pursuant to which eligible option holders under our 2018 Equity Plan may receive cash awards depending on financial results linked to annual operating cash flow and other financial metrics.

If our board of directors determines that any amounts are to be paid under the Shareholder Proceeds Bonus Program, the aggregate amount of the cash payment to be received by any participant is based on the per share bonus payment amount, a multiple determined by the board and the number of outstanding share options to which the award under the Shareholder Proceeds Bonus Program relates, with the aggregate cash payment pro-rated based on the number of vested share options as of each payment date over the vesting schedule of the share option. Payment of any amounts under the Shareholder Proceeds Bonus Program is independent of and not contingent upon the exercise of any share options.

Awards under the Shareholder Proceeds Bonus Program were granted in 2021, and payments in respect of outstanding awards under the Shareholder Bonus Program were paid in December 2021. No new awards will be granted under the Shareholder Proceeds Bonus Program in respect of calendar year 2022 or beyond and all existing awards will continue to be paid out on their current payment schedule.

2021 Equity Compensation Plan

In connection with our initial public offering, our board of directors adopted, and Mubadala approved, the GLOBALFOUNDRIES Inc. 2021 Equity Compensation Plan (the "Equity Plan"). Our Equity Plan is administered by our board of directors or, as applicable, its delegate (the "Equity Plan Administrator").

The purpose of the Equity Plan is to attract and retain certain employees, non-employee directors, consultants, and advisors. All of our (and our subsidiaries') employees, non-employee directors and key advisors and consultants who perform services for us are eligible to receive awards under the Equity Plan. The Equity Plan provides for the issuance of incentive share options, non-qualified share options, share awards, share units, share appreciation rights, and other share-based awards.

The Equity Plan Administrator will determine the allocation of awards and all of the terms and conditions applicable to awards under the Equity Plan, except that awards to members of our board of directors must be authorized by a majority of our board of directors.

Subject to adjustment as described below, the maximum aggregate number of our ordinary shares that may be issued or transferred under the Equity Plan with respect to awards is 17,500,000 ordinary shares; provided that the share reserve under the Equity Plan will, unless otherwise determined by our board of directors, automatically increase on January 1 of each year for 10 years commencing on January 1, 2023 and ending on (and including) January 1, 2032 in an amount equal to 1% of the total number of ordinary shares outstanding on December 31 of the preceding year.

In general, if any share options or share appreciation rights terminate, expire or are canceled, forfeited, exchanged, or surrendered without having been exercised, or if any share awards, share units or other share-based awards are forfeited, terminated, or otherwise not paid in full in our ordinary shares, the shares subject to such awards will again be available for purposes of the Equity Plan. In addition, the maximum aggregate value of our ordinary shares subject to new awards made to any non-employee director pursuant to the Equity Plan, together with any cash fees earned by such non-employee director, for services rendered as a non-employee director during any calendar year, will not exceed $1,500,000, which value will be calculated based on the grant date fair value of such awards for financial reporting purposes.

In connection with certain events affecting the outstanding ordinary shares reserved for issuance as awards, the Equity Plan Administrator will equitably adjust the maximum number and kind of our ordinary shares available for issuance under

the Equity Plan, the maximum number and kind of ordinary shares for which any individual may receive awards in any year, the kind and number of shares covered by outstanding awards, the kind and number of shares that may be issued under the Equity Plan, and the price per share or market value of any outstanding awards, and other conditions as the Equity Plan Administrator deems appropriate to prevent the enlargement or dilution of rights under the Equity Plan.

If there is a change in control and awards are not assumed by, or replaced with grants that have comparable terms by, the surviving corporation, all outstanding share options and share appreciation rights will immediately vest and become exercisable, any restrictions on share awards will lapse, and all other awards will become payable as of the date of the change in control. If there is a change in control and we (or our successor) terminate a participant's employment without cause upon or within one year after the change in control, the participant's outstanding share options and share appreciation rights will vest and become exercisable, any restrictions on share awards will lapse, and all other awards will become payable. In each of the foregoing events, awards based on performance objectives will vest and be payable in accordance with the terms set forth in the applicable award agreement. Notwithstanding the foregoing, the committee may establish any other terms and conditions relating to the effect of a change in control on awards as the Equity Plan Administrator deems appropriate and take any of the actions enumerated under the terms and conditions of the Equity Plan, without the consent of any participant.

Except as permitted by the committee with respect to non-qualified share options, only a participant may exercise rights under an award during the participant's lifetime. Upon death, the personal representative or other person entitled to succeed to the rights of the participant may exercise such rights. A participant cannot transfer those rights except by will or by the laws of descent and distribution or pursuant to a domestic relations order. The committee may provide in an award agreement that a participant may transfer non-qualified share options to family members, or one or more trusts or other entities for the benefit of or owned by family members, consistent with applicable securities laws.

Our board of directors may amend or terminate the Equity Plan at any time, except that our shareholders must approve an amendment if such approval is required in order to comply with the Code, applicable laws, or applicable stock exchange requirements. Unless terminated sooner by our board of directors or extended with shareholder approval, the Equity Plan will terminate on the day immediately preceding the tenth anniversary of its effective date. No awards have been issued under the 2021 Equity Compensation Plan as of December 31, 2021.

2021 Employee Stock Purchase Plan

In connection with, and prior to the consummation of, our initial public offering, our board of directors adopted, and Mubadala approved, the GLOBALFOUNDRIES Inc. 2021 Employee Stock Purchase Plan (the "ESPP"). Our ESPP is administered by our board of directors or, as applicable, its delegate (the "ESPP Administrator").

Any of our employees, or any employees of a subsidiary or affiliate that the ESPP Administrator has designated as eligible to participate in an offering, will be eligible to participate in an offering under the ESPP, other than an employee who owns ordinary shares possessing 5% or more of our voting shares, or the voting shares of a parent or subsidiary, or certain other employees as determined by the ESPP Administrator.

Our ESPP will permit eligible employees to purchase our ordinary shares through contributions in the form of payroll deductions (by timely delivering a subscription agreement to us) or otherwise, as permitted by the ESPP Administrator. The ESPP permits two types of offerings: (1) an offering intended to qualify for favorable U.S. federal tax treatment under Section 423 of the Code; and (2) an offering not intended to be tax qualified under Section 423 of the Code to facilitate participation for employees who are not eligible to benefit from favorable U.S. federal tax treatment and, to the extent applicable, to provide flexibility to comply with non-U.S. law and other considerations. The timing of the offering periods will be determined by the ESPP Administrator.

The terms and conditions applicable to each offering period will be set forth in an offering document adopted by the ESPP Administrator for the particular offering period. We also may choose to issue matching ordinary shares with respect to ordinary shares purchased under the ESPP for an offering period. In that event, on the relevant ESPP purchase date, we will grant to each eligible employee in the ESPP a number of ordinary shares with a fair market value equal to a percentage of the aggregate purchase price paid to exercise the employee's right to purchase ordinary shares on such purchase date. Such matching percentage for each purchase period shall be established by the ESPP Administrator in an offering document.

Subject to certain equitable adjustments in connection with certain events affecting the outstanding ordinary shares reserved for issuance as awards, the maximum aggregate number of our ordinary shares that may be issued or transferred under the ESPP with respect to awards is 7,500,000 ordinary shares; provided that the share reserve under the ESPP will, unless otherwise determined by our board of directors, automatically increase on January 1 of each year for 8 years commencing on January 1, 2023 and ending on (and including) January 1, 2031 in an amount equal to 0.25% of the total number of ordinary shares outstanding on December 31 of the preceding year. In no event will the number of ordinary

shares that may be issued or transferred pursuant to rights granted under the ESPP exceed 18,750,000, in the aggregate, subject to the adjustments described above.

The ESPP Administrator will have the authority to amend, suspend or terminate the ESPP. However, shareholder approval shall be required to amend the ESPP to increase the aggregate number or change the class of shares that may be sold pursuant to rights under the ESPP (other than an adjustment as provided above) or as may otherwise be required under Section 423 of the Code or as may otherwise be required by applicable stock exchange requirements.

C. Board Practices

Composition of our Board of Directors

Our board of directors currently consists of eleven members, all of whom were elected pursuant to our Memorandum and Articles of Association. The board is divided into three classes designated as Class I, Class II and Class III, with the members of each class each serving staggered, three-year terms. The terms of our Class I directors will expire at the 2022 annual general meeting of members; the terms of our Class II directors will expire at the 2023 annual meeting of members; and the terms of our Class III directors will expire at the 2024 annual meeting of members. At the expiration of the respective terms of the Class I, Class II and Class III directors, new Class I, Class II and Class III directors will be elected to serve for a full term of the three years respectively.

Dr. Thomas Caulfield, Ahmed Saeed Al Calily, Tim Breen and Glenda Dorchak serve as Class I directors (with terms expiring in 2022). Martin L. Edelman, David Kerko, Jack Lazar and Carlos Obeid serve as Class II directors (with terms expiring in 2023). Ahmed Yahia Al Idrissi, Elissa E. Murphy and Bobby Yerramilli-Rao serve as Class III directors (with terms expiring in 2024).

While we do not have a formal policy regarding board diversity, our nominating & governance committee and board of directors will consider a broad range of factors relating to the qualifications and background of nominees, which may include diversity (not limited to race, gender or national origin). Our nominating & governance committee's and board of directors' priority in selecting board members is identification of persons who will further the interests of our shareholders through their established record of professional accomplishment, the ability to contribute positively to the collaborative culture among board members, knowledge of our business, understanding of the competitive landscape and professional and personal experiences and expertise relevant to our growth strategy. Under a shareholder's agreement entered into with Mubadala through two of its subsidiaries holding our ordinary shares, Mubadala Technology Investment Company ("MTIC") and MTI International Investment Company LLC ("MTIIIC") (the "Shareholder's Agreement") prior to the consummation of our initial public offering, we agreed to nominate for election to our board of directors a certain number of designees selected by Mubadala. See "Item 7. Major Shareholders and Related Party Transactions—Certain Relationships and Related Party Transactions—Shareholder's Agreement."

There is no Cayman Islands law requirement that a director must hold office for a certain term and stand for re-election unless the resolutions appointing the director impose a term on the appointment. We do not have any age limit requirements relating to our director's term of office.

The Shareholder's Agreement provides that, for so long as MTIC, MTIIIC and certain of their affiliates (the "Mubadala Entities"), in the aggregate, beneficially own 50% or more of the ordinary shares held by the Mubadala Entities upon consummation of our initial public offering, MTIC will be entitled to nominate a number of designees (the "Mubadala Designees") to our board of directors representing a majority of our directors. MTIC designated the following directors as Mubadala Designees as of the date of our initial public offering: Ahmed Yahia Al Idrissi, Ahmed Saeed Al Calily, Tim Breen, Martin L. Edelman, and Carlos Obeid. By making such designation, MTIC retains the right to appoint any additional Mubadala Designees in accordance with the Shareholder's Agreement and the Memorandum and Articles of Association.

Our Memorandum and Articles of Association also provide that our directors may only be removed for cause by an affirmative vote of 75% of our shareholders, provided that (1) a Mubadala Designee may only be removed with or without cause by MTIC, and (2) as long as the Mubadala Entities beneficially own in the aggregate at least 50% of our outstanding ordinary shares, directors other than Mubadala Designees may be removed with or without cause by a majority of shareholders. Any vacancy resulting from an enlargement of our board of directors (which shall not exceed any maximum number stated in our Memorandum and Articles of Association), may be filled by ordinary resolution or by vote of a majority of our directors then in office; provided that any vacancy with respect to a Mubadala Designee may only be filled by a decision of majority of the Mubadala Designees then in office, or if there are none, by MTIC.

Board's Role in Risk Oversight

Our board of directors oversees the management of risks inherent in the operation of our business and the implementation of our business strategies. Our board of directors performs this oversight role by using several different levels of review. In connection with its reviews of our operations and corporate functions, our board of directors addresses

the primary risks associated with those operations and corporate functions. In addition, our board of directors reviews the risks associated with our business strategies periodically throughout the year as part of its consideration of undertaking any such business strategies.

Each of our board committees also oversees the management of our risk that falls within the committee's areas of responsibility. In performing this function, each committee has full access to management, as well as the ability to engage advisors. Our Chief Financial Officer provides reports to the audit, risk and compliance committee and is responsible for identifying, evaluating and implementing risk management controls and methodologies to address any identified risks. In connection with its risk management role, our audit, risk and compliance committee meets privately with representatives from our independent registered public accounting firm and our Chief Financial Officer. The audit, risk and compliance committee oversees the operation of our risk management program, including the identification of the primary risks associated with our business and periodic updates to such risks, and reports to our board of directors regarding these activities.

Board Committees

Our board of directors has established an audit, risk and compliance committee, a people and compensation committee, a strategy and technology committee and a nominating & governance committee, each of which operates pursuant to a separate charter adopted by our board of directors.

Audit, Risk and Compliance Committee

Glenda Dorchak, Jack Lazar and Carlos Obeid currently serve on the audit, risk and compliance committee, which is chaired by Jack Lazar. Our board of directors has determined that Glenda Dorchak and Jack Lazar are "independent" for audit, risk and compliance committee purposes as that term is defined in the rules of the SEC and the applicable rules of the Nasdaq. We intend to have a fully independent audit, risk and compliance committee within one year from effectiveness of our initial public offering registration statement, as permitted by Rule 10A-3 of the Exchange Act. The audit, risk and compliance committee's responsibilities include:

- appointing our independent registered public accounting firm, and approving the audit and permitted non-audit services to be provided by our independent registered public accounting firm;
- evaluating the performance and independence of our independent registered public accounting firm;
- monitoring the integrity of our financial statements and our compliance with legal and regulatory requirements as they relate to our financial statements or accounting matters;
- reviewing the adequacy and effectiveness of our accounting and internal control policies and procedures;
- establishing and overseeing procedures for the receipt, retention and treatment of accounting-related complaints and concerns;
- reviewing and discussing with the independent registered public accounting firm the results of our year-end audit, and recommending to our board of directors, based upon such review and discussions, whether our financial statements shall be included in our Annual Report on Form 20-F;
- reviewing all related party transactions for potential conflict of interest situations and approving all such transactions;
- overseeing the Company's ESG programs and periodically reporting to the board of directors; and
- overseeing and reviewing major corporate risks and periodically reporting to the board of directors.

We have one financial expert as of the date hereof. Our board of directors has determined that Jack Lazar qualifies as an "audit committee financial expert" as defined in SEC rules and satisfies the financial sophistication requirements of the Nasdaq.

People and Compensation Committee

Ahmed Saeed Al Calily, Tim Breen, David Kerko and Elissa E. Murphy currently serve on the people and compensation committee, which is chaired by David Kerko. The people and compensation committee's responsibilities include:

- establishing and reviewing the goals and objectives of our executive compensation plans;
- establishing the goals and objectives relevant to Chief Executive Officer compensation, and making recommendations to our board of directors in evaluating our Chief Executive Officer's performance in light of these goals and objectives;

- evaluating the performance of our executive officers in light of the goals and objectives of our executive compensation plans and making recommendations to our board of directors with respect to the compensation of our executive officers, including our Chief Executive Officer;
- making recommendations to our board of directors with respect to improvement of existing, or adoption of new, employee compensation plans and programs; and
- retaining and approving the compensation of executive compensation advisors and other advisors advising the people and compensation committee.

Strategy and Technology Committee

Ahmed Yahia Al Idrissi, Dr. Thomas Caulfield, Tim Breen, Glenda Dorchak, David Kerko and Bobby Yerramilli-Rao currently serve on the strategy and technology committee, which is chaired by Ahmed Yahia Al Idrissi. The strategy and technology committee's responsibilities include:

- assisting our board of directors in reviewing significant investments, divestments, joint ventures, partnerships, and other strategic agreements;
- providing guidance to our board of directors on long range strategy and business plans;
- assisting our board of directors in reviewing our technology road map; and
- assisting our board of directors in reviewing strategic long-term customer and supplier agreements.

Nominating & Governance Committee

Ahmed Yahia Al Idrissi, Glenda Dorchak, Martin L. Edelman and David Kerko currently serve on the nominating & governance committee, which is chaired by Martin L. Edelman. The nominating & governance committee's responsibilities include:

- assisting our board of directors in identifying prospective director nominees and recommending nominees for election by the shareholders or appointment by our board of directors;
- reviewing and assessing the adequacy of our corporate governance guidelines and recommending proposed changes to our board of directors; and
- overseeing the evaluation of our board of directors.

D. Employees

We have a highly-skilled employee base and as of December 31, 2021, we employed approximately 14,600 employees primarily located at our manufacturing sites. As of December 31, 2021, approximately 45% of our employees were located in North America, approximately 23% in EMEA, and approximately 32% in APAC. We also engage temporary employees and consultants. Overall, we believe we have good relations with our employees. As of December 31, 2021, approximately 68% of our employees were engineers or technicians.

E. Share Ownership

Refer to "Item 7. Major Shareholders and Related Party Transactions" below for information on share ownership.

See "Item 6. Directors, Senior Management and Employees—B. Compensation" for information on our arrangements for involving employees in the capital of the Company.

ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

A. Major Shareholders

The following table sets forth certain information with respect to the beneficial ownership of our ordinary shares as of December 31, 2021 for (i) each person known by us to be the beneficial owner of more than 5% of our outstanding shares of ordinary shares and (ii) all of our directors and executive officers as a group.

Name of Beneficial Owner	Number of Ordinary Shares Owned	Percentage of Ordinary Shares Owned
Mubadala	469,501,994	88.28 %
Directors and named executive officers:		
Dr. Thomas Caulfield	*	*
David Reeder	*	*
Kay Chai (KC) Ang	*	*
Saam Azar	*	*
Juan Cordovez	*	*
Emily Reilly	*	*
Ahmed Yahia Al Idrissi	*	*
Ahmed Saeed Al Calily	*	*
Tim Breen	*	*
Glenda Dorchak	*	*
Martin L. Edelman	*	*
David Kerko	*	*
Jack Lazar	*	*
Elissa E. Murphy	*	*
Carlos Obeid	*	*
Bobby Yerramilli-Rao	*	*

*Represents beneficial ownership of less than 1% of our issued and outstanding ordinary shares.

B. Related Party Transactions

Mubadala

Shareholder Loan Facilities

We entered into several loan facilities with a subsidiary of Mubadala. Each of the Shareholder Loans were non-interest bearing and principal repayment, in whole or in part, was entirely at our discretion as explicitly stated in the loan agreements. The Shareholder Loans were subordinated to any claims of other unsubordinated and subordinated creditors, including beneficiaries under guarantees issued, of the company. The Shareholder Loans had no maturity date. We made payments of $568 million in the year ended December 31, 2021. On October 1, 2021, our board approved the conversion of the remaining $10.1 billion of the loan balance into additional paid in capital, and on October 3, 2021, we executed the Conversion. The Conversion did not have an impact on shares outstanding or have any dilutive effects, as no additional shares were issued.

Secondments

Between January 1, 2018 and the date of this Annual Report, Mubadala has seconded seven persons to us. Two secondees, including Tim Breen, who is a member of our board of directors and previously served as an executive officer of the company, continue to be seconded to us as of the date of this Annual Report. From January 1, 2019 through December 31, 2021, we paid Mubadala an average annual amount of approximately $2 million in consideration of the services provided by the secondees.

Shareholder's Agreement

Prior to the consummation of our initial public offering, we entered into the Shareholder's Agreement with Mubadala through two of its subsidiaries holding our ordinary shares, MTIC and MTIIIC. The Shareholder's Agreement provides that, for so long as the Mubadala Entities, in the aggregate, beneficially own 50% or more of the ordinary shares held by the Mubadala Entities, MTIC is entitled to nominate a number of Mubadala Designees to our board of directors representing a majority of our directors. The Shareholder's Agreement specifies how such nomination rights decrease as the Mubadala

Entities' beneficial ownership of our ordinary shares decreases. Specifically, for so long as the Mubadala Entities, in the aggregate, beneficially own (i) 40% or more, but less than 50%, (ii) 30% or more, but less than 40%, (iii) 20% or more, but less than 30%, and (iv) 5% or more, but less than 20%, of the ordinary shares held by the Mubadala Entities, MTIC shall be entitled to Mubadala Designees on our board of directors representing at least 50%, 40%, 30% and 20%, respectively, of our directors. The Shareholder's Agreement provides that for so long as MTIC is entitled to nominate at least 30% of our directors, the chairman of our board of directors shall be appointed by a majority vote of the Mubadala Designees directors.

The Shareholder's Agreement specifies that, where there is a vacant board position in respect of a Mubadala Designee director, such vacancy shall be filled only by a decision of a majority of the Mubadala Designee directors then in office or, if there are no such directors then in office, by MTIC. Additionally, we will include the Mubadala Designees on the slate that is included in our proxy statement relating to the appointment of directors of the class to which such persons belong and provide the highest level of support for the appointment of each such person as we provide to any other individual standing for appointment as a director.

The Shareholder's Agreement also specifies that until such time as the Mubadala Entities no longer beneficially own at least 30% of our outstanding ordinary shares, we will not, nor will we permit our subsidiaries, to take certain significant actions specified therein without the prior consent of MTIC. These actions include:

- amendments or modifications to, or repealing of, (whether by merger, consolidation or otherwise) any provisions of our organizational documents in a manner that would adversely affect the Mubadala Entities beneficially owning outstanding ordinary shares;
- issuances of equity securities, subject to customary exceptions;
- acquisitions or dispositions in an amount exceeding $300 million in any single transaction or $500 million in any calendar year, other than pursuant to ordinary course transactions;
- mergers, consolidations, or other transactions that would involve a change of control of our company;
- incurring financial indebtedness in an amount exceeding $200 million, subject to certain exceptions;
- hiring or terminating our Chief Executive Officer, Chief Financial Officer or Chief Legal Officer or designating any replacement thereto;
- liquidation, dissolution or winding up of our company;
- any material change in the nature of the business of our company and our subsidiaries, taken as a whole; or
- changes to the size of our board of directors.

The Shareholder's Agreement entitles the Mubadala Entities to certain information rights. The Mubadala Entities are permitted to share such disclosed information with other Mubadala Entities and their directors, officers, employees, consultants, advisers, and financing providers, provided that the recipient maintain the confidentiality of such disclosed information.

We will use our reasonable best efforts, if permitted by applicable law and regulation (including, in particular, our audit, risk and compliance committee's responsibilities under U.S. securities laws and regulations) and if in the best interests of the company, to select the same independent certified public accounting firm, or auditor, used by Mubadala (or an affiliate of such auditor) and to provide to Mubadala as much prior notice as reasonably practical of any change in our auditor until the first fiscal year end occurring after the date on which Mubadala and any entities owned by the Government of Abu Dhabi, together with their subsidiaries, no longer own in aggregate at least 25% of the voting power of our then outstanding securities. When selecting our auditor, we have agreed that we will give due consideration to the benefits arising to our company from the use of the same auditor as Mubadala (or an affiliate of such auditor).

The Shareholder's Agreement is governed by Cayman Islands law and will terminate on the earlier to occur of (i) such time as the Mubadala Entities, in aggregate, cease to beneficially own 5% or more of our outstanding ordinary shares, and (ii) upon the delivery of a written notice by MTIC to us requesting its termination.

Certain of the provisions of the Shareholder's Agreement have been included in our Memorandum and Articles of Association.

Registration Rights Agreement

Prior to the consummation of our initial public offering, we entered into a registration rights agreement with MTIC and MTIIIC, pursuant to which those holders of ordinary shares are entitled to demand the registration of the sale of certain or all of our ordinary shares that they beneficially own (the "Registration Rights Agreement"). Among other things, under the terms of the Registration Rights Agreement:

- Each holder has an unlimited right, subject to certain conditions and exceptions, to request that we file registration statements with the SEC for one or more underwritten offerings of all or part of our ordinary shares that the holder beneficially owns, and we are required to cause any such registration statements (a) to be filed with the SEC as promptly as practicable and (b) to use commercially reasonable efforts to cause such registration statements to become effective as soon as reasonably practicable;
- If we propose to file certain types of registration statements under the Securities Act with respect to an offering of equity securities by us, we are required to use commercially reasonable efforts to offer the other parties to the Registration Rights Agreement, if any, the opportunity to register the sale of all or part of their shares on the terms and conditions set forth in the Registration Rights Agreement (customarily known as "piggyback rights"); and
- All expenses of registration under the Registration Rights Agreement, including the legal fees of one counsel retained by or on behalf of the holders, will be paid by us.

The registration rights granted in the Registration Rights Agreement are subject to customary restrictions such as minimum offering sizes, blackout periods and, if a registration is underwritten, any limitations on the number of shares to be included in the underwritten offering as reasonably advised by the managing underwriter. The rights of the holders under the Registration Rights Agreement are assignable to certain transferees of the holders' ordinary shares. The Registration Rights Agreement also contains customary indemnification and contribution provisions. The Registration Rights Agreement is governed by New York law.

MTHC Revolving Credit Facility

On December 15, 2013, we entered into a revolving credit agreement with Mubadala Treasury Holding Company LLC ("MTHC") that provided for an aggregate commitment of $600 million. Subsequently, on November 28, 2017, we entered into an amended agreement to reduce the aggregate commitment to $400 million. As further amended on July 27, 2020, the revolving credit agreement was to terminate on December 31, 2023, unless MTHC would have elected to terminate the facility upon the company ceasing to be a direct or indirect wholly owned subsidiary of Mubadala. Amounts outstanding under the loan bore interest at LIBOR plus 1.5%. This undrawn facility was terminated on November 11, 2021, following the closing of our initial public offering.

SMP

Silicon Manufacturing Partners Pte Ltd. ("SMP") is a joint venture with LSI Technology (Singapore) Pte. Ltd. We hold a 49% interest in SMP and manage all aspects of its manufacturing operations. In the year ended December 31, 2021 we purchased products, primarily wafers, from SMP for an aggregate of $54 million. We also reimbursed expenses of and contributed tools to SMP in that period, with an aggregate expense of $39 million.

C. Interests of Experts and Counsel.

Not applicable.

ITEM 8. FINANCIAL INFORMATION

A. Consolidated Financial Statements and Other Financial Information

Please see "Item 18. Financial Statements". Other than as disclosed elsewhere in this Annual Report, no significant change has occurred since the date of the Annual Consolidated Financial Statements.

Legal Proceedings

On April 28, 2021, IBM sent us a letter alleging for the first time that we did not fulfill our obligations under the contracts we entered into with IBM in 2014 associated with our acquisition of IBM's Microelectronics division. IBM asserted that we engaged in fraudulent misrepresentations during the underlying negotiations, and claimed we owed them $2.5 billion in damages and restitution. We believe, based on discussions with legal counsel, that we have meritorious defenses against IBM's claims and on June 7, 2021, we filed a complaint with the New York State Supreme Court seeking a declaratory judgment that we did not breach the relevant contracts. IBM subsequently filed a complaint with the New York State Supreme Court on June 8, 2021. On September 14, 2021, the Court granted our motion to dismiss IBM's claims of fraud,

unjust enrichment and breach of the implied covenant of good faith and fair dealing. Our complaint seeking declaratory judgment was dismissed. The case will proceed based on IBM's breach of contract and promissory estoppel claims. We do not currently anticipate this proceeding to have a material impact on our results of operations, financial condition, business and prospects.

In 2017, we entered into a set of agreements with a joint venture partner related to the establishment of a joint venture in China to establish and operate a greenfield wafer production site. The parties contemplated that the manufacturing operations would be implemented in two phases. Due to a variety of factors, including unanticipated market conditions, the manufacturing operations did not proceed as planned and the parties have been working to wind-down operations of the joint venture. On April 26, 2021, we received a letter from our joint venture partner requesting that we share in its alleged losses and related costs incurred to support the joint venture. We recorded a provision of $34 million in June 2021. We engaged in negotiations with our joint venture partner to settle the claims and on November 15, 2021 we resolved the claims consistent with the recorded provision.

In addition to the foregoing proceeding, from time to time, we become involved in legal proceedings arising in the ordinary course of our business, such as claims brought by our customers in connection with commercial disputes, product liability claims, employment claims made by our current or former employees or claims of infringement raised by intellectual property owners, in connection with the technology used in our manufacturing operations. Based on the information currently available to us, we believe that the outcome of these proceedings would not have a material impact on our results of operations, financial condition, business and prospects.

Dividends and Dividend Policy

We currently intend to retain all available funds and any future earnings to fund the development and growth of our business. Therefore, we do not anticipate declaring or paying any cash dividends to our shareholders in the foreseeable future. Any future determination as to the declaration and payment of dividends, if any, will be at the discretion of our board of directors, subject to applicable laws, and will depend on a number of factors, including our business prospects, results of operations, financial condition, cash requirements and availability, debt repayment obligations, capital expenditure needs, covenants in the agreements governing our current and future indebtedness, other contractual restrictions, industry trends and any other factors or considerations our board of directors may regard as relevant.

Under Cayman Islands law, dividends may be declared and paid only out of funds legally available therefor, namely out of either profit or distributable reserves, including our share premium account, and provided further that a dividend may not be paid if this would result in us being unable to pay our debts as they fall due in the ordinary course of business.

For additional information, see "Item 3. Key Information—Risk Factors—We do not expect to declare or pay any dividends on our ordinary shares for the foreseeable future."

B. Significant Changes

None.

ITEM 9. THE OFFER AND LISTING

A. Offer and Listing Details

On November 1, 2021, we completed our initial public offering. The principal trading market for our ordinary shares is the Nasdaq. Our ordinary shares have been listed on the Nasdaq under the symbol "GFS" since October 28, 2021.

B. Plan of Distribution

Not applicable.

C. Markets

See "—Offer and Listing Details" above.

D. Selling Shareholders

Not applicable.

E. Dilution

Not applicable.

F. Expenses of the Issue

Not applicable.

ITEM 10. ADDITIONAL INFORMATION

A. Share Capital

Not applicable.

B. Memorandum and Articles of Association

The information required to be disclosed under this item is incorporated by reference to Exhibit 2.3 to this Annual Report on Form 20-F.

Differences in Corporate Law

The Cayman Companies Act was modelled originally after similar laws in England and Wales but does not follow subsequent statutory enactments in England and Wales. In addition, the Cayman Companies Act differs from laws applicable to U.S. corporations and their shareholders. Set forth below is a summary of the significant differences between the provisions of the Cayman Companies Act applicable to us and the laws applicable to companies incorporated in the United States and their shareholders.

Mergers and Similar Arrangements

The Cayman Companies Act permits mergers or consolidations between two Cayman Islands companies, or between a Cayman Islands company and a company incorporated in another jurisdiction (provided that is facilitated by the laws of that other jurisdiction).

Where the merger or consolidation is between two Cayman Islands companies, the directors of each company must approve a written plan of merger or consolidation, which must then be authorized by (a) a special resolution of the shareholders of each company; and (b) such other authorization, if any, as may be specified in such constituent company's articles of association. No shareholder resolution is required for a merger between a parent company (i.e., a company that owns at least 90% of the issued shares of each class in a subsidiary company) and its subsidiary company. The consent of each holder of a fixed or floating security interest of a constituent company must be obtained, unless the court waives such requirement. If the Cayman Islands Registrar of Companies is satisfied that the requirements of the Cayman Companies Act (which includes certain other formalities) have been complied with, the Registrar of Companies will register the plan of merger or consolidation. Where the merger or consolidation involves a foreign company, the procedure is similar, save that with respect to the foreign company, the director of the Cayman Islands company is required to make a declaration to the effect that, having made due inquiry, the director is of the opinion that the requirements set out below have been met: (i) that the merger or consolidation is permitted or not prohibited by the constitutional documents of the foreign company and by the laws of the jurisdiction in which the foreign company is incorporated, and that those laws and any requirements of those constitutional documents have been or will be complied with; (ii) that no petition or other similar proceeding has been filed and remains outstanding or order made or resolution adopted to wind up or liquidate the company in any foreign jurisdictions; (iii) that no receiver, trustee, administrator or other similar person has been appointed in any jurisdiction and is acting in respect of the foreign company, its affairs or property or any part thereof; and (iv) that no scheme, order, compromise or similar arrangement has been entered into or made in any jurisdiction whereby the rights of creditors of the foreign company are and continue to be suspended or restricted.

Where the surviving company is the Cayman Islands company, the director of the Cayman Islands company is further required to make a declaration to the effect that, having made due inquiry, the director is of the opinion that the requirements set out below have been met: (i) that the foreign company is able to pay its debts as they fall due and that the merger or consolidated is bona fide and not intended to defraud unsecured creditors of the foreign company; (ii) that in respect of the transfer of any security interest granted by the foreign company to the surviving or consolidated company (a) consent or approval to the transfer has been obtained, released or waived; (b) the transfer is permitted by and has been approved in accordance with the constitutional documents of the foreign company; and (c) the laws of the jurisdiction of the foreign company with respect to the transfer have been or will be complied with; (iii) that the foreign company will, upon the merger or consolidation becoming effective, cease to be incorporated, registered or exist under the laws of the relevant foreign jurisdiction; and (iv) that there is no other reason why it would be against the public interest to permit the merger or consolidation.

Where the above procedures are adopted, the Cayman Companies Act provides for a right of dissenting shareholders to be paid a payment of the fair value of his shares upon their dissenting to the merger or consolidation if they follow a prescribed procedure. In essence, that procedure is as follows:

a. the shareholder must give the shareholder's written objection to the merger or consolidation to the constituent company before the vote on the merger or consolidation, including a statement that the shareholder proposes to demand payment for the shareholder's shares if the merger or consolidation is authorized by the vote;
b. within 20 days following the date on which the merger or consolidation is approved by the shareholders, the constituent company must give written notice to each shareholder who made a written objection;
c. a shareholder must within 20 days following receipt of such notice from the constituent company, give the constituent company a written notice of the shareholder's intention to dissent including, among other details, a demand for payment of the fair value of his shares;
d. within seven days following the date of the expiration of the period set out in paragraph (c) above or seven days following the date on which the plan of merger or consolidation is filed, whichever is later, the constituent company, the surviving company or the consolidated company must make a written offer to each dissenting shareholder to purchase the shareholder's shares at a price that the company determines is the fair value and if the company and the shareholder agree the price within 30 days following the date on which the offer was made, the company must pay the shareholder such amount; and
e. if the company and the shareholder fail to agree a price within such 30-day period, within 20 days following the date on which such 30-day period expires, the company (and any dissenting shareholder) must file a petition with the Grand Court of the Cayman Islands to determine the fair value and such petition must be accompanied by a list of the names and addresses of the dissenting shareholders with whom agreements as to the fair value of their shares have not been reached by the company. At the hearing of that petition, the court has the power to determine the fair value of the shares together with a fair rate of interest, if any, to be paid by the company upon the amount determined to be the fair value.

Any dissenting shareholder whose name appears on the list filed by the company may participate fully in all proceedings until the determination of fair value is reached. These rights of a dissenting shareholder are not available in certain circumstances, for example, to dissenters holding shares of any class in respect of which an open market exists on a recognized stock exchange or recognized interdealer quotation system at the relevant date or where the consideration for such shares to be contributed are shares of any company listed on a national securities exchange or shares of the surviving or consolidated company.

Moreover, Cayman Islands law also has separate statutory provisions that facilitate the reconstruction or amalgamation of companies. In certain circumstances, schemes of arrangement will generally be more suited for complex mergers or other transactions involving widely held companies, commonly referred to in the Cayman Islands as a "scheme of arrangement," which may be tantamount to a merger. In the event that a merger is sought pursuant to a scheme of arrangement (the procedures of which are more rigorous and take longer to complete than the procedures typically required to consummate a merger in the United States), the arrangement in question must be approved by a majority in number of each class of shareholders and creditors with whom the arrangement is to be made, and who must in addition represent three-fourths in value of each such class of shareholders or creditors, as the case may be, that are present and voting either in person or by proxy at a meeting, or meetings summoned for that purpose. The convening of the meetings and subsequently the terms of the arrangement must be sanctioned by the Grand Court of the Cayman Islands. While a dissenting shareholder would have the right to express to the court the view that the transaction should not be approved, the court can be expected to approve the arrangement if it satisfies itself that:

- we are not proposing to act illegally or beyond the scope of our corporate authority and the statutory provisions as to majority vote have been complied with;
- the shareholders have been fairly represented at the meeting in question;
- the arrangement is such as a businessman would reasonably approve; and
- the arrangement is not one that would more properly be sanctioned under some other provision of the Cayman Companies Act or that would amount to a "fraud on the minority."

If a scheme of arrangement or takeover offer (as described below) is approved, any dissenting shareholder would have no rights comparable to appraisal rights, which would otherwise ordinarily be available to dissenting shareholders of U.S. corporations, providing rights to receive payment in cash for the judicially determined value of the shares.

Our Memorandum and Articles of Association provide that until such time as the Mubadala Entities no longer beneficially own at least 30% of our outstanding ordinary shares, the board of directors shall not cause our company to merge or consolidate with another entity without the prior written approval of MTIC.

Squeeze-out Provisions

When a takeover offer is made and accepted by holders of 90% of the shares to whom the offer is made within four months, the offeror may, within a two-month period, require the holders of the remaining shares to transfer such shares on the terms of the offer. An objection may be made to the Grand Court of the Cayman Islands but is unlikely to succeed unless there is evidence of fraud, bad faith, collusion or inequitable treatment of the shareholders.

If the arrangement and reconstruction is thus approved, the dissenting shareholder would have no rights comparable to appraisal rights, which might otherwise ordinarily be available to dissenting shareholders of United States corporations and allow such dissenting shareholders to receive payment in cash for the judicially determined value of the shares. However, appraisal rights would also not be available to shareholders of a Delaware target in a business combination transaction if the shares of the target were listed on a national securities exchange and target shareholders receive only shares of a corporation which shares are also listed on a national securities exchange.

Further, transactions similar to a merger, reconstruction and/or an amalgamation may in some circumstances be achieved through other means to these statutory provisions, such as a share capital exchange, asset acquisition or control, through contractual arrangements, of an operating business.

Shareholders' Suits

A shareholder of a Delaware corporation has the right to bring a derivative action on behalf of the corporation if the shareholder was a shareholder of the corporation at the time of the transaction in question. Derivative actions have been brought in the Cayman Islands courts, and the Cayman Islands courts have confirmed the availability for such actions. In most cases, we will be the proper plaintiff in any claim based on a breach of duty owed to us, and a claim against (for example) our officers or directors usually may not be brought by a shareholder. However, based on English authorities, which would in all likelihood be of persuasive authority and be applied by a court in the Cayman Islands, exceptions to the foregoing principle apply in circumstances in which:

- a company is acting or proposing to act illegally or beyond the scope of its authority;
- the act complained of, although not beyond the scope of the authority, could be effected if duly authorized by more than the number of votes which have actually been obtained; and
- those who control the company are perpetrating a "fraud on the minority."

A shareholder may have a direct right of action against us where the individual rights of that shareholder have been infringed or are about to be infringed.

Our Memorandum and Articles of Association provide that each shareholder agrees to waive any claim or right of action he or she might have, whether individually or by or in the right of our Company, against any director or officer on account of any action taken by such director or officer, or the failure of such director to take any action in the performance of their duties with or for our company. However, such waiver shall not extend to any matter in respect of any dishonesty, actual fraud or willful default which may attach to such director or officer.

Maples and Calder (Cayman) LLP, our Cayman Islands counsel, is not aware of any reported class action suits having been brought in a Cayman Islands court. However, a class action suit could nonetheless be brought in the United States courts pursuant to an alleged violation of the securities laws of the United States.

Directors' Fiduciary Duties

As a matter of Cayman Islands law, a director of a Cayman Islands company is in the position of a fiduciary with respect to the company. Accordingly, directors and officers owe the following fiduciary duties:

- duty to act in good faith in what the director or officer believes to be in the best interests of the company as a whole;
- duty to exercise powers for the purposes for which those powers were conferred and not for a collateral purpose;
- directors should not improperly fetter the exercise of future discretion;
- duty to exercise powers fairly as between different sections of shareholders;
- duty to exercise independent judgment; and
- duty not to put themselves in a position in which there is a conflict between their duty to the company and their personal interests.

However, this obligation may be varied by the company's articles of association, which may permit a director to vote on a matter in which the director has a personal interest provided that the director has disclosed that nature of his interest to the board of directors. With respect to the duty of directors to avoid conflicts of interest, our Memorandum and Articles of Association vary from the applicable provisions of Cayman Islands law mentioned above by providing that a director must disclose the nature and extent of the director's interest in any contract or proposed contract or arrangement, and following such disclosure and subject to any separate requirement under applicable law or applicable listing rules, and unless disqualified by the chairman of the relevant meeting, such director may vote in respect of any transaction or arrangement in which the director is interested and may be counted in the quorum at the meeting.

In addition to the above, under Cayman Islands law, directors also owe a duty of care which is not fiduciary in nature. This duty has been defined as a requirement to act as a reasonably diligent person having both the general knowledge, skill and experience that may reasonably be expected of a person carrying out the same functions as are carried out by that director in relation to the company and the general knowledge skill and experience which that director has.

As set out above, directors have a duty not to put themselves in a position of conflict and this includes a duty not to engage in self-dealing, or to otherwise benefit as a result of their position. However, in some instances what would otherwise be a breach of this duty can be forgiven and/or authorized in advance by the shareholders provided that there is full disclosure by the directors. This can be done by way of permission granted in the Memorandum and Articles of Association or alternatively by shareholder approval at general meetings. The Memorandum and Articles of Association provide that, to the fullest extent permitted by applicable law: (i) no individual serving as a director or an officer shall have any duty, except and to the extent expressly assumed by contract, to refrain from engaging directly or indirectly in the same or similar business activities or lines of business as us; and (ii) we renounce any interest or expectancy in, or in being offered an opportunity to participate in, any potential transaction or matter which may be a corporate opportunity for any director or officer, on the one hand, and us, on the other. Accordingly, as a result of multiple business affiliations, our officers and directors may have similar legal obligations relating to presenting business opportunities meeting the above-listed criteria to

multiple entities. In addition, conflicts of interest may arise when our board evaluates a particular business opportunity with respect to the above-listed criteria. However, under our Memorandum and Articles of Association, we renounced our interest in any corporate opportunity offered to any director or officer. Additionally, any such director or officer shall be permitted to pursue competing opportunities without any liability to us. Furthermore, each of our officers and directors may have pre-existing fiduciary obligations to other businesses of which they are officers or directors.

A director of a Cayman Islands company also owes to the company duties to exercise independent judgment in carrying out his functions and to exercise reasonable skill, care and diligence, which has both objective and subjective elements. Recent Cayman Islands case law confirmed that directors must exercise the care, skill and diligence that would be exercised by a reasonably diligent person having the general knowledge, skill and experience reasonably to be expected of a person acting as a director. Additionally, a director must exercise the knowledge, skill and experience which the director actually possesses.

A general notice may be given to the board of directors to the effect that:

- the director is a member or officer of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with that company or firm; or
- the director is to be regarded as interested in any contract or arrangement which may after the date of the notice to the board of directors be made with a specified person who is connected with the director, will be deemed sufficient declaration of interest.

This notice shall specify the nature of the interest in question. Following the disclosure being made pursuant to our Memorandum and Articles of Association and subject to any separate requirement under applicable law or applicable listing rules, a director may vote in respect of any transaction or arrangement in which the director is interested and may be counted in the quorum at the meeting.

In comparison, under Delaware corporate law, a director of a Delaware corporation has a fiduciary duty to the corporation and its shareholders. This duty has two components: the duty of care and the duty of loyalty. The duty of care requires that a director act in good faith, with the care that an ordinarily prudent person would exercise under similar circumstances. Under this duty, directors must inform themselves of, and disclose to shareholders, all material information reasonably available regarding a significant transaction. The duty of loyalty requires that directors act in a manner they reasonably believe to be in the best interests of the corporation. They must not use their corporate position for personal gain or advantage. This duty prohibits self-dealing by a director and mandates that the best interest of the corporation and its shareholders take precedence over any interest possessed by a director, officer or controlling shareholder and not shared by the shareholders generally. In general, actions of a director are presumed to have been made on an informed basis, in good faith and in the honest belief that the action taken was in the best interests of the corporation. However, this presumption may be rebutted by evidence of a breach of one of the fiduciary duties. Should such evidence be presented concerning a transaction by a director, a director must prove the procedural fairness of the transaction, and that the transaction was of fair value to the corporation.

Shareholder Action by Written Consent

Under the Delaware General Corporation Law, a corporation may eliminate the right of shareholders to act by written consent by amendment to its certificate of incorporation. Cayman Islands law and our Memorandum and Articles of Association provide that shareholders may approve corporate matters by way of a unanimous written resolution signed by or on behalf of each shareholder who would have been entitled to vote on such matter at a general meeting without a meeting being held.

Shareholder Proposals

Under the Delaware General Corporation Law, a shareholder has the right to put any proposal before the annual meeting of shareholders, provided it complies with the notice provisions in the governing documents. The Delaware General Corporation Law does not provide shareholders an express right to put any proposal before the annual meeting of shareholders, but Delaware corporations generally afford shareholders an opportunity to make proposals and nominations provided that they comply with the notice provisions in the certificate of incorporation or bylaws. A special meeting may be called by the board of directors or any other person authorized to do so in the governing documents, but shareholders may be precluded from calling special meetings.

The Cayman Companies Act does not provide shareholders with rights to requisition a general meeting, and does not provide shareholders with any right to put any proposal before a general meeting. However, these rights may be provided in a company's articles of association. Our Memorandum and Articles of Association provide that upon the requisition of one or more shareholders representing not less than one-third of the voting rights entitled to vote at general meetings, the board will convene an extraordinary general meeting and put the resolutions so requisitioned to a vote at such meeting. Our Memorandum and Articles of Association provide no other right to put any proposals before annual general meetings or extraordinary general meetings.

Cumulative Voting

Under the Delaware General Corporation Law, cumulative voting for elections of directors is not permitted unless the corporation's certificate of incorporation specifically provides for it. Cumulative voting potentially facilitates the representation of minority shareholders on a board of directors since it permits the minority shareholder to cast all the votes to which the shareholder is entitled on a single director, which increases the shareholder's voting power with respect to electing such director. As permitted under Cayman Islands law, our Memorandum and Articles of Association do not provide

for cumulative voting. As a result, our shareholders are not afforded any less protections or rights on this issue than shareholders of a Delaware corporation.

Removal of Directors

Under the Delaware General Corporation Law, a director of a corporation may be removed with the approval of a majority of the outstanding shares entitled to vote, unless the certificate of incorporation provides otherwise. Under our Memorandum and Articles of Association, directors can be removed for cause by an affirmative vote of at least 75% of shareholders, provided that (1) Mubadala Designees may only be removed with or without cause by MTIC and (2) as long as the Mubadala Entities beneficially own in the aggregate at least 50% of the outstanding shares, directors other than the Mubadala Designees may be removed with or without cause by a majority of shareholders.

The notice of general meeting must contain a statement of the intention to remove the director and must be served on the director not less than ten calendar days before the meeting. The director is entitled to attend the meeting and be heard on the motion for his removal.

The office of a director will be vacated automatically if the director:

- becomes prohibited by law from being a director;
- becomes bankrupt or makes an arrangement or composition with the director's creditors;
- dies or is in the opinion of all the director's co-directors, incapable by reason of mental disorder of discharging his duties as director;
- resigns the director's office by notice to us; or
- has for more than six months been absent without permission of the directors from meetings of the board of directors held during that period, and the remaining directors resolve that the director's office be vacated.

Our Memorandum and Articles of Association provide that any vacancy on the board of directors in respect of a Mubadala Designee may only be filled by a decision of majority of the Mubadala Designees then in office, or if there are none, by MTIC.

Proceedings of the Board of Directors

Our business is to be managed and conducted by the board of directors. The quorum necessary for any meeting of our board of directors shall consist of a simple majority of the members provided that, for so long as the Mubadala Entities are entitled to nominate one Mubadala Designee to our board of directors, the presence of at least one Mubadala Designee shall be required on first call to a meeting of the board of directors.

Subject to the provisions of our Memorandum and Articles of Association, the board of directors may regulate its proceedings as they determine is appropriate.

Subject to the provisions of our Memorandum and Articles of Association, to any directions given by ordinary resolution of the shareholders and applicable listing rules, the board of directors may from time to time at its discretion exercise all of our powers, including, subject to the Cayman Companies Act, the power to issue debentures, bonds and other securities of the company, whether outright or as collateral security for any debt, liability or obligation of our company or of any third party.

Transactions with Interested Shareholders

The Delaware General Corporation Law contains a business combination statute applicable to Delaware corporations whereby, unless the corporation has specifically elected not to be governed by such statute by amendment to its certificate of incorporation, it is prohibited from engaging in certain business combinations with an "interested shareholder" for three years following the date that such person becomes an interested shareholder. An interested shareholder generally is a person or group who owns or owned 15% or more of the target's outstanding voting shares within the past three years. This has the effect of limiting the ability of a potential acquiror to make a two-tiered bid for the target in which all shareholders would not be treated equally. The statute does not apply if, among other things, prior to the date on which such shareholder becomes an interested shareholder, the board of directors approves either the business combination or the transaction which resulted in the person becoming an interested shareholder. This encourages any potential acquiror of a Delaware corporation to negotiate the terms of any acquisition transaction with the target's board of directors.

Cayman Islands law has no comparable statute. As a result, we cannot avail ourselves of the types of protections afforded by the Delaware business combination statute. However, although Cayman Islands law does not regulate transactions between a company and its significant shareholders, it does provide that the board of directors owes duties to ensure that these transactions are entered into bona fide in the best interests of the company and for a proper corporate purpose and, as noted above, a transaction may be subject to challenge if it has the effect of constituting a fraud on the minority shareholders.

Dissolution; Winding Up

Under the Delaware General Corporation Law, unless the board of directors approves the proposal to dissolve, dissolution must be approved by shareholders holding 100% of the total voting power of the corporation. If the dissolution is initiated by the board of directors it may be approved by a simple majority of the corporation's outstanding shares. Delaware law allows a Delaware corporation to include in its certificate of incorporation a supermajority voting requirement in

connection with dissolutions initiated by the board. Under Cayman Islands law, a company may be wound up by either an order of the courts of the Cayman Islands or by a special resolution of its members or, if the company resolves by ordinary resolution that it be wound up because it is unable to pay its debts as they fall due. The court has authority to order winding up in a number of specified circumstances including where it is, in the opinion of the court, just and equitable to do so.

Under the Cayman Companies Act, we may be dissolved, liquidated or wound up by a special resolution of shareholders (requiring a two-thirds majority vote of those shareholders attending and voting at a quorate meeting). Our Memorandum and Articles of Association also give our board of directors the authority to petition the Cayman Islands Court for our wind up.

Variation of Rights of Shares

Under the Delaware General Corporation Law, a corporation may vary the rights of a class of shares with the approval of a majority of the outstanding shares of such class, unless the certificate of incorporation provides otherwise. Under Cayman Islands law and our Memorandum and Articles of Association, if our share capital is divided into more than one class of shares, we may vary the rights attached to any class without the consent of the holders of the issued shares of that class where such variation is considered by the directors not to have a material adverse effect upon such rights. Otherwise, all or any of the special rights attached to any class of shares may be varied with either the written consent of the beneficial holders of two-thirds of the issued shares of that class, or with the approval of a special resolution passed at a general meeting of the holders of the shares of that class.

The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, subject to any rights or restrictions for the time being attached to the shares of that class, be deemed to be materially adversely affected by the creation, allotment or issuance of further shares (whether ranking in priority to, pari passu or subordinated to them) pursuant to the board of director's ability to issue preference shares. The rights of the beneficial holders of the issued shares shall not be deemed to be materially adversely varied by the creation, allotment or issuance of shares with preferred or other rights including, without limitation, the creation of shares with enhanced or weighted voting rights.

Amendment of Governing Documents

Under the Delaware General Corporation Law, a corporation's governing documents may be amended with the approval of a majority of the outstanding shares entitled to vote, unless the certificate of incorporation provides otherwise. Under Cayman Islands law, our Memorandum and Articles of Association generally (and save for certain amendments to share capital described in this section) may only be amended by special resolution of shareholders (requiring a two-thirds majority vote of those shareholders attending and voting at a quorate meeting).

Indemnification of Directors and Executive Officers and Limitation of Liability

The Cayman Companies Act does not limit the extent to which a company's articles of association may provide for indemnification of directors and officers, except to the extent that it may be held by the Cayman Islands courts to be contrary to public policy, such as to provide indemnification against civil fraud or the consequences of committing a crime. Our Memorandum and Articles of Association provide that we shall indemnify and hold harmless our directors and officers against any liability, action, proceeding, claim, demand, costs, damages or expenses, including legal expenses, whatsoever which they or any of them may incur as a result of any act or failure to act in carrying out their functions in connection with the company other than such liability (if any) that they may incur by reason of their own actual fraud, dishonesty, willful neglect or willful default. We will also bear the expenses of any reasonable attorneys' fees and other costs and expenses incurred in connection with the defense of any action, suit, proceeding or investigation involving such director or officer, upon such person's undertaking to repay any amounts paid, advanced, or reimbursed by us if it is ultimately determined that any such person shall not have been entitled to indemnification. No director or officer shall be liable to our company for any loss or damage incurred by our company as a result (whether direct or indirect) of the carrying out of their functions unless that liability arises through the actual fraud, dishonesty, willful neglect or willful default of such officer or director. This standard of conduct is generally the same as permitted under the Delaware General Corporation Law for a Delaware corporation.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to our directors, officers or persons controlling us under the foregoing provisions, we have been informed that, in the opinion of the SEC, this indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Enforcement of Civil Liabilities

We have been advised by Maples and Calder (Cayman) LLP, our Cayman Islands legal counsel, that the courts of the Cayman Islands are unlikely (i) to recognize or enforce against us judgments of courts of the United States predicated upon the civil liability provisions of the federal securities laws of the United States or any state in the United States; and (ii) in original actions brought in the Cayman Islands, to impose liabilities against us predicated upon the civil liability provisions of the federal securities laws of the United States or any state in the United States, so far as the liabilities imposed by those provisions are penal in nature. In those circumstances, although there is no statutory enforcement in the Cayman Islands of judgments obtained in the United States, the courts of the Cayman Islands will recognize and enforce a foreign money judgment of a foreign court of competent jurisdiction without retrial on the merits based on the principle that a judgment of a competent foreign court imposes upon the judgment debtor an obligation to pay the sum for which judgment has been given provided certain conditions are met. For a foreign judgment to be enforced in the Cayman Islands, such judgment must be final and conclusive and for a liquidated sum, and must not be in respect of taxes or a fine or penalty, inconsistent with a Cayman Islands judgment in respect of the same matter, impeachable on the grounds of fraud or obtained in a manner, or be of a kind the enforcement of which is, contrary to natural justice or the public policy of the Cayman Islands (awards of

punitive or multiple damages may well be held to be contrary to public policy). A Cayman Islands court may stay enforcement proceedings if concurrent proceedings are being brought elsewhere.

C. Material Contracts

For information concerning certain contracts important to our business, see “Item 4. Information on the Company—B. Business Overview—Raw Materials” and “Item 7. Major Shareholders and Related Party Transactions—Related Party Transactions.”

2021 SGD EDB Loan—On September 3, 2021, the Company entered into a loan agreement with Singapore Economic Development Board (EDB), which provided loan facilities with maximum drawdown of $1,149 million (SGD1,541) at a fixed nominal interest rate of 1.4%. The difference between the nominal interest rate of the loan and the market interest rate for an equivalent loan is recognized as a government grant. The loan matures on June 1, 2041, with interest-only payments for the first 5 years and principal repayments commence thereafter, payable on a semi-annual basis.

Except as otherwise described in this Annual Report on Form 20-F (including the documents filed as exhibits to this Annual Report on Form 20-F), we have not entered into any material contracts other than in the ordinary course of business.

D. Exchange Controls

The Cayman Islands currently has no exchange control restrictions.

E. Taxation

Cayman Islands Tax Considerations

The following summary contains a description of certain Cayman Islands tax consequences of the acquisition, ownership and disposition of our ordinary shares, but it does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase our ordinary shares. The summary is based upon the tax laws of Cayman Islands and regulations thereunder as of the date hereof, which are subject to change. If you are considering the purchase of our ordinary shares, you should consult your own tax advisors concerning the particular tax consequences to you of the purchase, ownership and disposition of our ordinary shares, as well as the consequences to you arising under the laws of your country of citizenship, residence or domicile.

The following is a discussion of certain Cayman Islands income tax consequences of an investment in our ordinary shares. The discussion is a general summary of present law, which is subject to prospective and retroactive change. It is not intended to be tax advice, does not consider any investor’s particular circumstances, and does not consider tax consequences other than those arising under Cayman Islands law.

Under Existing Cayman Islands Laws

Payments of dividends and capital in respect of our ordinary shares will not be subject to taxation in the Cayman Islands and no withholding will be required on the payment of interest and principal or a dividend or capital to any holder of our ordinary shares, as the case may be, nor will gains derived from the disposal of our ordinary shares be subject to Cayman Islands income or corporation tax. The Cayman Islands currently has no income, corporation or capital gains tax and no estate duty, inheritance tax or gift tax.

No stamp duty is payable in respect of the issue of ordinary shares or on an instrument of transfer in respect of an ordinary share.

We were incorporated under the laws of the Cayman Islands as an exempted company with limited liability and, as such, has received an undertaking from the Governor in Cabinet of the Cayman Islands in substantially the following form:

The Tax Concessions Law

(1999 Revision)

Undertaking as to Tax Concessions

In accordance with Section 6 of the Tax Concessions Law (1999 Revision) the Governor in Cabinet undertakes with GLOBALFOUNDRIES Inc.:

(a) that no Law which is hereafter enacted in the Islands imposing any tax to be levied on profits, income, gains or appreciations shall apply to us the company or our operations; and

(b) in addition, that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable:

a. on or in respect of the shares, debentures or other obligations of the company; or

b. by way of the withholding in whole or part, of any relevant payment as defined in Section 6(3) of the Tax Concessions Law (20181 Revision).

These concessions shall be for a period of TWENTY years from 21st day of October 2008.

United States Federal Income Taxation

The following is a summary of material U.S. federal income tax considerations that are likely to be relevant to the purchase, ownership and disposition of our ordinary shares by a U.S. Holder (as defined below).

This summary is based on provisions of the Code, and regulations, rulings and judicial interpretations thereof, in force as of the date hereof. Those authorities may be changed at any time, perhaps retroactively, so as to result in U.S. federal income tax consequences different from those summarized below.

This summary is not a comprehensive discussion of all of the tax considerations that may be relevant to a particular investor's decision to purchase, hold, or dispose of ordinary shares. In particular, this summary is directed only to U.S. Holders that hold ordinary shares as capital assets and does not address particular tax consequences that may be applicable to U.S. Holders who may be subject to special tax rules, such as banks, brokers or dealers in securities or currencies, traders in securities electing to mark to market, financial institutions, life insurance companies, tax-exempt entities, regulated investment companies, real estate investment trusts, entities or arrangements that are treated as partnerships for U.S. federal income tax purposes (or partners therein), holders that own or are treated as owning 10% or more of our stock by vote or value, persons holding ordinary shares as part of a hedging or conversion transaction or a straddle, persons whose functional currency is not the U.S. dollar, or persons holding our ordinary shares in connection with a trade or business outside the United States. Moreover, this summary does not address state, local or foreign taxes, the U.S. federal estate and gift taxes, the Medicare contribution tax applicable to net investment income of certain non-corporate U.S. Holders, or alternative minimum tax consequences of acquiring, holding or disposing of ordinary shares.

For purposes of this summary, a "U.S. Holder" is a beneficial owner of ordinary shares that is a citizen or resident of the United States or a U.S. domestic corporation or that otherwise is subject to U.S. federal income taxation on a net income basis in respect of such ordinary shares.

You should consult your own tax advisors about the consequences of the acquisition, ownership, and disposition of the ordinary shares, including the relevance to your particular situation of the considerations discussed below and any consequences arising under foreign, state, local or other tax laws.

Taxation of Distributions

Subject to the discussion below under "—Passive Foreign Investment Company Status," the gross amount of any distribution of cash or property with respect to our shares that is paid out of our current or accumulated earnings and profits (as determined for U.S. federal income tax purposes) will generally be includible in your taxable income as ordinary dividend income on the day on which you receive the dividend and will not be eligible for the dividends-received deduction allowed to corporations under the Code.

We do not expect to maintain calculations of our earnings and profits in accordance with U.S. federal income tax principles. U.S. Holders therefore should expect that distributions generally will be treated as dividends for U.S. federal income tax purposes.

Subject to certain exceptions for short-term positions, dividends received by an individual with respect to the shares will be subject to taxation at a preferential rate if the dividends are "qualified dividends." Dividends paid on the shares will be treated as qualified dividends if:

- the shares are readily tradable on an established securities market in the United States or we are eligible for the benefits of a comprehensive tax treaty with the United States that the U.S. Treasury determines is satisfactory for purposes of this provision and that includes an exchange of information program; and

- we were not, in the year prior to the year in which the dividend was paid, and are not, in the year in which the dividend is paid, a passive foreign investment company (a "PFIC").

The ordinary shares are listed on the Nasdaq, and will qualify as readily tradable on an established securities market in the United States so long as they are so listed. Based on our financial statements and relevant market and shareholder data, we believe that we were not treated as a PFIC for U.S. federal income tax purposes with respect to our 2020 and 2021 taxable years. In addition, based on our financial statements and our current expectations regarding the value and nature of our assets, the sources and nature of our income, and relevant market and shareholder data, we do not anticipate becoming a PFIC for our current taxable year or in the foreseeable future. Holders should consult their own tax advisors regarding the availability of the reduced dividend tax rate in light of their own particular circumstances.

Dividend distributions with respect to our shares generally will be treated as "passive category" income from sources outside the United States for purposes of determining a U.S. Holder's U.S. foreign tax credit limitation.

U.S. Holders that receive distributions of additional shares or rights to subscribe for shares as part of a pro rata distribution to all our shareholders generally will not be subject to U.S. federal income tax in respect of the distributions, unless the U.S. Holder has the right to receive cash or property, in which case the U.S. Holder will be treated as if it received cash equal to the fair market value of the distribution.

Taxation of Dispositions of Shares

Subject to the discussion below under "—Passive Foreign Investment Company Status," upon a sale, exchange or other taxable disposition of the shares, U.S. Holders will realize gain or loss for U.S. federal income tax purposes in an amount equal to the difference between the amount realized on the disposition and the U.S. Holder's adjusted tax basis in the shares, as determined in U.S. dollars as discussed below. Such gain or loss will be capital gain or loss, and will generally be long-term capital gain or loss if the shares have been held for more than one year. Long-term capital gain realized by a U.S. Holder that is an individual generally is subject to taxation at a preferential rate. The deductibility of capital losses is subject to limitations.

Gain, if any, realized by a U.S. Holder on the sale or other disposition of the shares generally will be treated as U.S. source income.

Passive Foreign Investment Company Status

Special U.S. tax rules apply to companies that are considered to be PFICs. We will be classified as a PFIC in a particular taxable year if either:

- 75% or more of our gross income for the taxable year is passive income; or
- the average percentage of the value of our assets that produce or are held for the production of passive income is at least 50%.

For this purpose, passive income generally includes dividends, interest, gains from certain commodities transactions, rents, royalties and the excess of gains over losses from the disposition of assets that produce passive income.

We believe, and this discussion assumes, that we were not a PFIC for our taxable year ending December 31, 2021 and that, based on the present composition of our income and assets and the manner in which we conduct our business, we will not be a PFIC in our current taxable year or in the foreseeable future. Whether we are a PFIC is a factual determination made annually, and our status could change depending, among other things, upon changes in the composition of our gross income and the relative quarterly average value of our assets. If we were a PFIC for any taxable year in which you hold ordinary shares, you generally would be subject to additional taxes on certain distributions and any gain realized from the sale or other taxable disposition of the ordinary shares regardless of whether we continued to be a PFIC in any subsequent year. You are encouraged to consult your own tax advisor as to our status as a PFIC, the tax consequences to you of such status, and the availability and desirability of making a mark-to-market election to mitigate the unfavorable rules mentioned in the preceding sentence.

Foreign Financial Asset Reporting

Individual U.S. Holders that own "specified foreign financial assets" with an aggregate value in excess of US$50,000 on the last day of the taxable year or US$75,000 at any time during the taxable year are generally required to file an information statement along with their tax returns, currently on Form 8938, with respect to such assets. "Specified foreign financial assets" include any financial accounts held at a non-U.S. financial institution, as well as securities issued by a non-U.S. issuer that are not held in accounts maintained by financial institutions. Higher reporting thresholds apply to certain individuals living abroad and to certain married individuals. Regulations extend this reporting requirement to certain entities

that are treated as formed or availed of to hold direct or indirect interests in specified foreign financial assets based on objective criteria. U.S. Holders who fail to report the required information could be subject to substantial penalties. In addition, the statute of limitations for assessment of tax would be suspended, in whole or part. Prospective investors are encouraged to consult with their own tax advisors regarding the possible application of these rules, including the application of the rules to their particular circumstances.

Backup Withholding and Information Reporting

Dividends paid on, and proceeds from the sale or other disposition of, the shares to a U.S. taxpayer generally may be subject to the information reporting requirements of the Code and may be subject to backup withholding unless the U.S. taxpayer provides an accurate taxpayer identification number and makes any other required certification or otherwise establishes an exemption. Backup withholding is not an additional tax. The amount of any backup withholding from a payment to a U.S. taxpayer will be allowed as a refund or credit against the U.S. taxpayer's U.S. federal income tax liability, provided the required information is furnished to the U.S. Internal Revenue Service in a timely manner.

A holder that is not a U.S. taxpayer may be required to comply with certification and identification procedures in order to establish its exemption from information reporting and backup withholding.

F. Dividends and Paying Agents

Not applicable.

G. Statements by Experts

Not applicable.

H. Documents on Display

The SEC maintains a website www.sec.gov that contains reports and other information regarding registrants, including the Company, that file electronically with the SEC. Please note that copies of the Company's annual reports on Form 20-F and reports on Form 6-K filed by us can be inspected at the website set forth above and are also available on our website at www.gf.com (the website does not form part of this Annual Report on Form 20-F).

I. Subsidiary Information

Not applicable.

ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISKS

We are exposed to market risks in the ordinary course of our business. Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. Our market risk exposure is primarily the result of fluctuations in interest rates and foreign currency exchange rates. See Note 31 to our Annual Consolidated Financial Statements for additional details.

Foreign Currency Risk: As a result of foreign operations, we have costs, assets and liabilities denominated in foreign currencies, primarily the Euro, the Singapore dollar and the Japanese yen. Therefore, movements in exchange rates could cause foreign currency-denominated expenses to increase as a percentage of net revenue, which are denominated in U.S. dollars, affecting profitability and cash flows. We use foreign currency forward contracts to reduce exposure to foreign currency fluctuations. We also incur a certain portion of our interest expenses in Euro and Singapore Dollar, exposing us to exchange rate fluctuations between U.S. dollar and Euro and Singapore Dollar. We use cross currency swaps to reduce our exposure to variability from foreign exchange impacting cash flows arising from our foreign currency-denominated debt cash flows to the extent that it is practicable and cost effective to do so. As of December 31, 2021, we do not believe that a hypothetical 1,000 basis point increase or decrease in the relative value of the U.S. dollar to currencies other than the Euro Japanese Yen, and Singapore Dollar would have a material effect on our operating results.

Interest Rate Risks: Our exposure to market risk for changes in interest rates relates primarily to interest-earning financial assets and interest-bearing financial liabilities. Our interest-earning financial assets are mostly highly liquid investments and consist of primarily money market funds and time deposits. As these financial assets are mainly short-term in nature, our exposure to mark-to-market risk is limited. Our interest-bearing financial liabilities include fixed and floating rate loans and lease obligations. Floating rate loans bear interest at base rate or LIBOR or Euro Interbank Offered Rate ("EURIBOR") plus a premium, which is fixed. We use pay-fixed / receive-float interest rate swaps to protect against adverse fluctuations in interest rates and to reduce our exposure to variability in cash flows on our forecasted floating-rate debt facility to the extent that it is practicable and cost-effective to do so. As of December 31, 2021, a hypothetical 1,000 basis point change in interest rates would not have a material impact on our consolidated financial statements.

ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

None.

PART II

ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

None.

ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

A. Material Modifications to Instruments

Not applicable.

B. Material Modifications to Rights

Not applicable.

C. Withdrawal or Substitution of Assets

Not applicable.

D. Change in Trustees or Paying Agents

Not applicable.

E. Use of Proceeds

On October 27, 2021, our registration statement on Form F-1, as amended (File No. 333-260003) was declared effective by the SEC in relation to our initial public offering (the "IPO"). Additionally, we participated in a concurrent private placement for 1,595,744 ordinary shares (the "Private Placement"). We issued and sold an aggregate 31,845,744 ordinary shares in our IPO and the Private Placement at the IPO price of $47.00 per share, after deducting underwriting commissions of $43 million and estimated offering expenses payable by us of $30 million, for approximately $1.4 billion of net proceeds.

Morgan Stanley & Co. LLC, BofA Securities, Inc. and J.P. Morgan Securities LLC were the representatives of the underwriters for our IPO. We did not receive any proceeds from the initial sale of 24,750,000 ordinary shares by Mubadala, the selling shareholder in our IPO, nor from the sale of 5,748,006 additional ordinary shares pursuant to the underwriters' exercise of their option to purchase additional ordinary shares from Mubadala, for an aggregate price of approximately $1.4 billion. We paid affiliates of Mubadala, First Abu Dhabi Bank PJSC and Abu Dhabi Commercial Bank PJSC, a fee of $0.7 million and $0.7 million, respectively, for acting as our GCC Markets Advisors in connection with the IPO.

For the period from the closing of our IPO on November 1, 2021 to December 31, 2021, we used a portion of the net proceeds from our IPO and the Private Placement to support construction related to our fabrication facility in Singapore and capacity expansion projects in certain other facilities. We still intend to use the remainder of the proceeds from our IPO and Private Placement as disclosed in our registration statement on Form F-1.

ITEM 15. CONTROLS AND PROCEDURES

A. Disclosure Controls and Procedures.

Pursuant to Rule 13(a)-15(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), an evaluation was carried out under the supervision and with the participation of our principal executive and principal financial officers of the effectiveness of our disclosure controls and procedures. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that these disclosure controls and procedures were effective as of December 31, 2021.

B. Management's Annual Report on Internal Control over Financial Reporting

This Annual Report does not include a report of management's assessment regarding internal control over financial reporting or an attestation report of the company's independent registered public accounting firm due to a transition period established by rules of the SEC for newly public companies.

C. Attestation Report of the Independent Registered Public Accounting Firm.

This Annual Report does not include an attestation report of the Company's registered public accounting firm regarding internal control over financial reporting. Management's report is not subject to attestation by the Company's registered public accounting firm pursuant to rules of the SEC that permit the Company to provide only management's report in this Annual Report.

D. Changes in Internal Control over Financial Reporting.

This Annual Report does not include disclosure of changes in control over financial reporting due to a transition period established by rules of the SEC for newly public companies. During 2021, there was no material change to our internal control over financial reporting.

ITEM 16A. AUDIT COMMITTEE FINANCIAL EXPERT

We have one financial expert serving on our audit, risk and compliance committee as of the date hereof. Our board of directors has determined that Jack Lazar qualifies as an “audit committee financial expert” as defined in SEC rules and satisfies the financial sophistication requirements of the Nasdaq. In addition, our board of directors has determined that Jack Lazar is “independent” for audit, risk and compliance committee purposes as that term is defined in the rules of the SEC and the applicable rules of the Nasdaq.

ITEM 16B. CODE OF ETHICS

Our board has adopted a code of conduct that applies to all of our directors, officers and employees (the “Code of Conduct”). Our board has also adopted a code of ethics applicable to our executive officers and senior finance executives (the “Code of Ethics”), who must also comply with the Code of Conduct. Both the Code of Conduct and the Code of Ethics are available on our website: www.gf.com. We intend to disclose any amendments to the Code of Ethics, and any waivers of the Code of Ethics or the Code of Conduct for our directors, executive officers and senior finance executives, on our website to the extent required by applicable U.S. federal securities laws and the corporate governance rules of the Nasdaq.

ITEM 16C. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The following table sets forth the fees billed to us by our independent registered public accounting firms during the years ended December 31, 2020 and 2021. Our independent registered public accounting firm was KPMG LLP (PCAOB ID 1051) for the year ended December 31, 2021. Our independent registered public accounting firm was Ernst & Young LLP (PCAOB ID 42) for the year ended December 31, 2020.

	2020	2021
	(dollars in thousands)	
Audit fees	$ 4,427	$ 4,900
Tax fees	195	152
All other fees	—	29
Total	**$ 4,622**	**$ 5,081**

Audit fees

Audit fees are fees billed for professional services rendered by the principal accountant for the audit of the registrant’s annual combined financial statements or services that are normally provided by the accountant in connection with statutory and regulatory filings or engagements for those fiscal years. It includes the audit of our financial statements, interim reviews and other services that generally only the independent accountant reasonably can provide, such as comfort letters, statutory audits, consents and assistance with and review of documents filed with the SEC.

Tax fees

Tax fees are fees billed for professional services for tax compliance, tax advice and tax planning.

All other fees

All other fees are fees billed for payroll processing, human resources administration and immigration services.

Audit Committee Pre-Approval Policies and Procedures

In accordance with applicable requirements of the U.S. Sarbanes-Oxley Act of 2002 and rules issued by the SEC, the policy of our audit committee is to pre-approve all audit and non-audit services provided by KPMG LLP since their appointment as the independent registered public accounting firm, including audit-related services, tax services and other services.

ITEM 16D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

We are relying on the exemption under Rule 10A-3(b)(1)(iv)(A)(2) of the Exchange Act, which currently exempts one of the members of our audit committee from the independence requirements of paragraph (b)(1)(ii) of Rule 10A-3. Our audit, risk and compliance committee currently comprises three directors, of whom two are independent directors.

We do not believe that our reliance on the temporary exemption permitted by Rule 10A-3(b)(1)(iv)(A)(2) materially adversely affects the ability of our audit, risk and compliance committee to act independently or to satisfy the requirements of Rule 10A-3 under the Exchange Act. Our audit, risk and compliance committee will consist solely of independent directors within one year of our initial public offering.

ITEM 16E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

There were no purchases of equity securities by us or by any affiliated purchaser during the period covered by this Annual Report.

ITEM 16F. CHANGE IN REGISTRANT'S CERTIFYING ACCOUNTANT

None.

ITEM 16G. CORPORATE GOVERNANCE

We are a "foreign private issuer" under the securities laws of the United States and the rules of Nasdaq. Nasdaq listing rules include certain accommodations in the corporate governance requirements that allow foreign private issuers, such as us, to follow "home country" corporate governance practices in lieu of the otherwise applicable corporate governance standards of the Nasdaq. The application of such exceptions requires that we disclose each Nasdaq corporate governance standard that we do not follow and describe the Cayman Islands corporate governance practices we do follow in lieu of the relevant Nasdaq corporate governance standard. We currently follow Cayman Islands corporate governance practices in lieu of the corporate governance requirements of the Nasdaq in respect of the following:

- the majority independent director requirement under Section 5605(b)(1) of Nasdaq listing rules;
- the requirement under Section 5605(d) of Nasdaq listing rules that a compensation committee comprised solely of independent directors governed by a compensation committee charter oversee executive compensation;
- the requirement under Section 5605(e) of Nasdaq listing rules that director nominees be selected or recommended for selection by either a majority of the independent directors or a nominations committee comprised solely of independent directors;
- the Shareholder Approval Requirements under Section 5635 of the Nasdaq listing rules; and
- the requirement under Section 5605(b)(2) of Nasdaq listing rules that the independent directors have regularly scheduled meetings with only the independent directors present.

ITEM 16H. MINE SAFETY DISCLOSURE

Not applicable.

ITEM 16I. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

ITEM 17. FINANCIAL STATEMENTS

Not applicable.

ITEM 18. FINANCIAL STATEMENTS

See pages F-1 through F-56, incorporated herein by reference.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Financial Statements of Global Foundries Inc. and Subsidiaries

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Board of Directors
GLOBALFOUNDRIES Inc.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated statements of financial position of GLOBALFOUNDRIES Inc. and subsidiaries (the Company) as of December 31, 2021, the related consolidated statements of operations, other comprehensive loss, changes in equity, and cash flows for the year then ended, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021, and the results of its operations and its cash flows for the year then ended, in conformity with International Financial Reporting Standards issued by the International Accounting Standards Board.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the consolidated financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audit provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Determination of Useful Life of 300mm Production Equipment

As discussed in Note 3 to the consolidated financial statements, the Company revised the estimated useful life of certain production equipment and machinery from a range of five to eight years to ten years. The impact of the revision on depreciation expense for the year ended December 31, 2021 amounted to $628 million, which included a revision of 300mm production equipment useful life from eight to ten years. Management estimated the useful life of production equipment based on production equipment current use, historical age patterns, and future plans and technology roadmaps, as well as an analytical of industry trends and practices.

We identified the determination of useful life of 300mm production equipment as critical audit matter. To evaluate management's judgement in developing the revised useful life of ten years for the 300mm production equipment, we used significant auditor judgement, subjectivity and effort in performing procedures to evaluate the reasonableness of the significant assumptions used in determining the useful life.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design of certain internal controls related to the determination of the useful life of 300mm production equipment and related data used for that determination. We also tested management's process for developing the ten year useful life and assessed the reasonableness of the significant assumptions used by management, which included (1) testing the completeness, accuracy, and relevance of the underlying data used in management's historical length of service assessment, (2) assessing the Company's future business strategy, technology roadmaps, and planned capital expenditures as compared to historical strategies and current industry practices, and (3) evaluating the completeness, accuracy, and relevance of the useful lives of peer companies used in management's assessment.

/s/ KPMG LLP

We have served as the Company’s auditor since 2021.

Singapore, Singapore
March 31, 2022

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholder and the Board of Directors of GLOBALFOUNDRIES Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated statements of financial position of GLOBALFOUNDRIES Inc. (the "Company") as of December 31, 2020, the related consolidated statements of operations and comprehensive loss, changes in equity and cash flows for each of the two years in the period ended December 31, 2020, and the related notes (collectively referred to as the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2020, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2020, in conformity with International Financial Reporting Standards issued by the International Accounting Standards Board.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/Ernst & Young LLP

We have served as the Company's auditor since 2016.

San Jose, California

August 6, 2021

GLOBALFOUNDRIES INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Dollars in thousands, except share amounts)

	Notes	For the year ended December 31, 2019	2020	2021
Net revenue	4	$ 5,812,788	$ 4,850,505	$ 6,585,079
Cost of revenue	5	6,345,032	5,563,225	5,571,810
Gross (loss) profit		**(532,244)**	**(712,720)**	**1,013,269**
Research and development expenses	6	582,974	475,769	478,161
Selling, general and administrative expenses	7	445,628	444,860	594,920
Operating expenses		**1,028,602**	**920,629**	**1,073,081**
Impairment charges	8	63,950	22,672	—
Other operating charges		**63,950**	**22,672**	**—**
Loss from operations		**(1,624,796)**	**(1,656,021)**	**(59,812)**
Finance income		11,379	3,098	5,703
Finance expenses	9	(230,176)	(154,387)	(113,705)
Share of profit of joint ventures and associates	14	7,859	3,876	3,631
Gain on sale of a fabrication facility and application specific integrated circuit business	10	614,554	—	—
Other income (expense), net	11	74,055	440,307	(11,481)
Loss before income taxes		**(1,147,125)**	**(1,363,127)**	**(175,664)**
Income tax (expense) benefit	15	(224,061)	12,267	(78,267)
Net loss for the year		**$ (1,371,186)**	**$ (1,350,860)**	**$ (253,931)**
Attributable to:				
Shareholder of GLOBALFOUNDRIES INC.		$ (1,371,186)	$ (1,347,571)	$ (250,313)
Non-controlling interest		—	(3,289)	(3,618)
Net loss for the year		$ (1,371,186)	$ (1,350,860)	$ (253,931)
Net loss per share attributable to the equity holders of the Company:				
Basic and diluted weighted average common shares outstanding		504,003,126	500,000,000	505,758,409
Basic and diluted loss per share	28	$ (2.72)	$ (2.70)	$ (0.49)
Net loss per share		**$ (2.72)**	**$ (2.70)**	**$ (0.49)**

GLOBALFOUNDRIES INC.
CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE LOSS
(Dollars in thousands, except share amounts)

	Notes	For the year ended December 31, 2019	2020	2021
Net loss for the year		**$ (1,371,186)**	**$ (1,350,860)**	**$ (253,931)**
Attributable to:				
Shareholder of GLOBALFOUNDRIES INC.		$ (1,371,186)	$ (1,347,571)	$ (250,313)
Non-controlling interest		—	(3,289)	(3,618)
Net loss for the year		$ (1,371,186)	$ (1,350,860)	$ (253,931)
Other comprehensive income (loss), net of tax:				
Items that may be reclassified subsequently to profit or loss:				
Share of foreign exchange fluctuation reserve of joint ventures		—	—	(11,993)
Effective portion of changes in the fair value of cash flow hedges	18	$ 12,351	$ (22,802)	$ (45,132)
Income tax effect	15	(1,081)	(2,106)	2,788
		11,270	(24,908)	(54,337)
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of existing equity interests	14	—	6,553	—
Share of foreign exchange fluctuation reserve of joint ventures and associates		(566)	13,890	—
		$ 10,704	$ (4,465)	$ (54,337)
Total other comprehensive income (loss)				
Attributable to:				
Shareholder of GLOBALFOUNDRIES INC.		$ 10,704	$ (9,165)	$ (50,433)
Non-controlling interest		—	4,700	(3,904)
Total other comprehensive income (loss) for the year		**$ 10,704**	**$ (4,465)**	**$ (54,337)**
Attributable to:				
Shareholder of GLOBALFOUNDRIES INC.		$ (1,360,482)	$ (1,356,736)	$ (300,746)
Non-controlling interest		—	1,411	(7,522)
Total comprehensive loss for the year		**$ (1,360,482)**	**$ (1,355,325)**	**$ (308,268)**

GLOBALFOUNDRIES INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Dollars in thousands)

	Notes	As of December 31, 2020	As of December 31, 2021
ASSETS			
Noncurrent assets:			
Property, plant and equipment, net	12	$ 8,226,202	$ 8,712,978
Goodwill and intangible assets, net	13	547,942	376,749
Investments in joint ventures	14	36,702	37,938
Other noncurrent financial assets	18	34,054	2,317
Deferred tax assets	15	443,566	352,770
Receivables, prepayments and other assets	16	46,443	253,511
Total noncurrent assets		**9,334,909**	**9,736,263**
Current assets:			
Inventories	17	919,519	1,121,251
Other current financial assets	18	50,534	23,183
Receivables from government grants		51,660	45,806
Receivables, prepayments and other assets	16	1,056,934	1,161,912
Cash and cash equivalents	19	908,077	2,939,187
Total current assets		**2,986,724**	**5,291,339**
Total assets		**$ 12,321,633**	**$ 15,027,602**
EQUITY AND LIABILITIES			
Equity:			
Share capital			
Ordinary shares, $0.02 par value, 500,000 thousand and 531,846 thousand shares issued and outstanding as of December 31, 2020 and 2021, respectively	20	$ 10,000	$ 10,637
Additional paid-in capital	20	11,707,515	23,487,463
Loan from shareholder	29	10,680,687	—
Accumulated deficit		(15,218,509)	(15,468,822)
Accumulated other comprehensive loss		(3,319)	(53,752)
Equity attributable to the shareholder of GLOBALFOUNDRIES INC.		**7,176,374**	**7,975,526**
Non-controlling interest		65,128	57,606
Total equity		**7,241,502**	**8,033,132**
Noncurrent liabilities:			
Noncurrent portion of long-term debt	21	1,956,148	1,715,833
Noncurrent portion of lease obligations	22	333,242	290,547
Other noncurrent liabilities	25	412,666	1,445,324
Provisions	23	353,308	232,536
Noncurrent portion of deferred income from government grants	24	128,697	147,371
Total noncurrent liabilities		**3,184,061**	**3,831,611**
Current liabilities:			
Current portion of long-term debt	21	381,807	297,266
Current portion of lease obligations	22	131,270	134,971
Current portion of deferred income from government grants	24	40,505	28,926
Trade payables and other current liabilities	25	1,342,488	2,585,750
Provisions	23	—	115,946
Total current liabilities		**1,896,070**	**3,162,859**
Total liabilities		**5,080,131**	**6,994,470**
Total liabilities and equity		**$ 12,321,633**	**$ 15,027,602**

GLOBALFOUNDRIES INC.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Dollars in thousands)

	Equity Attributable to Shareholder of GLOBALFOUNDRIES INC.									
	Common Share		Additional Paid-In Capital	Loan from Shareholder	Accumulated Deficit	Hedging Reserve	Foreign Currency Translation Reserve	Total	Non-controlling Interest	Total Equity
	Shares	Amount								
As of December 31, 2018	**576,902,150**	**$ 11,538**	**$ 11,704,997**	**$ 11,567,687**	**$ (12,499,752)**	**$ (1,303)**	**$ (3,555)**	**$ 10,779,612**	**$ —**	**$ 10,779,612**
Surrender of issued shares	**(76,902,150)**	**(1,538)**	**1,538**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Repayment of loan from shareholder	**—**	**—**	**—**	**(400,000)**	**—**	**—**	**—**	**(400,000)**	**—**	**(400,000)**
Net loss for the year	**—**	**—**	**—**	**—**	**(1,371,186)**	**—**	**—**	**(1,371,186)**	**—**	**(1,371,186)**
Other comprehensive loss	**—**	**—**	**—**	**—**	**—**	**11,270**	**(566)**	**10,704**	**—**	**10,704**
As of December 31, 2019	**500,000,000**	**$ 10,000**	**$ 11,706,535**	**$ 11,167,687**	**$ (13,870,938)**	**$ 9,967**	**$ (4,121)**	**$ 9,019,130**	**$ —**	**$ 9,019,130**
Share-based payments	**—**	**—**	**980**	**—**	**—**	**—**	**—**	**980**	**—**	**980**
Acquisition of subsidiaries	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**63,717**	**63,717**
Repayment of loan from shareholder	**—**	**—**	**—**	**(487,000)**	**—**	**—**	**—**	**(487,000)**	**—**	**(487,000)**
Net loss for the year	**—**	**—**	**—**	**—**	**(1,347,571)**	**—**	**—**	**(1,347,571)**	**(3,289)**	**(1,350,860)**
Other comprehensive loss	**—**	**—**	**—**	**—**	**—**	**(24,908)**	**15,743**	**(9,165)**	**4,700**	**(4,465)**
As of December 31, 2020	**500,000,000**	**$ 10,000**	**$ 11,707,515**	**$ 10,680,687**	**$ (15,218,509)**	**$ (14,941)**	**$ 11,622**	**$ 7,176,374**	**$ 65,128**	**$ 7,241,502**
Proceeds from issuance of equity instruments	**31,845,744**	**637**	**1,443,859**	**—**	**—**	**—**	**—**	**1,444,496**	**—**	**1,444,496**
Share-based payments	**—**	**—**	**223,402**	**—**	**—**	**—**	**—**	**223,402**	**—**	**223,402**
Repayment of loan from shareholder	**—**	**—**	**—**	**(568,000)**	**—**	**—**	**—**	**(568,000)**	**—**	**(568,000)**
Conversion of loan from shareholder	**—**	**—**	**10,112,687**	**(10,112,687)**	**—**	**—**	**—**	**—**	**—**	**—**
Net loss for the year	**—**	**—**	**—**	**—**	**(250,313)**	**—**	**—**	**(250,313)**	**(3,618)**	**(253,931)**
Other comprehensive loss	**—**	**—**	**—**	**—**	**—**	**(42,344)**	**(8,089)**	**(50,433)**	**(3,904)**	**(54,337)**
As of December 31, 2021	**531,845,744**	**$ 10,637**	**$ 23,487,463**	**$ —**	**$ (15,468,822)**	**$ (57,285)**	**$ 3,533**	**$ 7,975,526**	**$ 57,606**	**$ 8,033,132**

GLOBALFOUNDRIES INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Dollars in thousands)

	Notes	Years Ended December 31, 2019	2020	2021
CASH FLOWS FROM OPERATING ACTIVITIES				
Net loss		$ (1,371,186)	$ (1,350,860)	$ (253,931)
Adjustments to reconcile net loss to net cash provided by operating activities:				
Depreciation	12	2,435,899	2,238,405	1,411,418
Amortization of intangible assets	13	242,325	284,109	207,426
Share-based payments	30	—	980	223,402
Impairment charges	8	63,950	22,672	—
Finance income		(11,379)	(3,098)	(5,703)
Finance expenses	9	230,176	154,387	113,705
Amortization of deferred income from government grants	24	(156,793)	(51,043)	(33,366)
Deferred income taxes	15	214,272	(37,749)	92,994
Gain on disposal of property, plant and equipment	12	(88,319)	(79,266)	(19,103)
Gain on sale of fabrication facilities	10	(614,554)	—	—
Other operating activities		20,232	(62,146)	(20,853)
Change in assets and liabilities:				
Receivables, prepayments and other assets	16	(143,710)	752,862	(387,448)
Inventories	17	(42,325)	(559,876)	(201,732)
Trade and other payables	25	(96,868)	(154,514)	1,828,946
Income tax payable	15	(1,942)	20,920	(9,954)
		679,778	1,175,783	2,945,801
Interest received		15,196	3,886	700
Interest paid	9	(196,351)	(145,528)	(100,693)
Income tax paid	15	(1,804)	(28,244)	(6,778)
Net cash provided by operating activities		**496,819**	**1,005,897**	**2,839,030**
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchases of property, plant and equipment	12	(587,934)	(449,288)	(1,661,565)
Purchases of intangible assets	13	(184,884)	(143,200)	(104,771)
Loans issued to related parties	25, 29	(22,386)	—	—
Advances and proceeds from sale of property, plant and equipment and intangible assets	12, 13	252,158	109,052	323,665
Proceeds from sale of fabrication facilities and ASIC business	10	832,627	110,851	—
Proceeds from settlement of loans issued to joint ventures and associates	29	49,568	—	—
Other investing activities		4,600	6,420	(7,615)
Net cash provided by (used in) investing activities		**343,749**	**(366,165)**	**(1,450,286)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from issuance of equity instruments		—	—	1,444,496
Repayments of shareholder loan	29	(400,000)	(487,000)	(568,000)
Repayments of borrowings from shareholder	21, 29	(246,984)	(111,516)	—
Net proceeds from borrowings	21	2,814,827	2,800,789	617,064
Repayments of debt and finance lease obligations	21, 22	(3,158,861)	(3,245,594)	(960,451)
Proceeds from government grants	19	335,222	311,833	82,832
Decrease (increase) in restricted cash	19	(28,036)	(1,255)	34,499
Net cash (used in) provided by financing activities		**(683,832)**	**(732,743)**	**650,440**
Effect of exchange rate changes on cash and cash equivalents	31	(3,399)	3,773	(8,074)
Net increase (decrease) in cash and cash equivalents	19	153,337	(89,238)	2,031,110
Cash and cash equivalents at the beginning of the year	19	843,978	997,315	908,077
Cash and cash equivalents at the end of the year		**$ 997,315**	**$ 908,077**	**$ 2,939,187**
Noncash investing and financing activities:				
Amounts payable for property, plant and equipment		$ 19,644	$ 201,745	$ 427,772
Property, plant and equipment acquired through lease		$ 74,592	$ 8,933	$ 97,298
Amounts payable for intangible assets		$ 81,024	$ 159,295	$ 89,039

GLOBALFOUNDRIES INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2019, 2020 AND 2021
(Dollars in Thousands)

1. Organization

GLOBALFOUNDRIES Inc. ("GLOBALFOUNDRIES") is an exempted company with limited liability incorporated under the laws of the Cayman Islands. The address of GLOBALFOUNDRIES' registered office is P.O. Box 309, Ugland House, Grand Cayman, KY1-1104 Cayman Islands.

GLOBALFOUNDRIES and its subsidiaries (together referred to as the "Company") is one of the world's largest pure-play semiconductor foundries and offer a full range of mainstream wafer fabrication services and technologies. The Company manufactures a broad range of semiconductor devices, including microprocessors, mobile application processors, baseband processors, network processors, radio frequency modems, microcontrollers, and power management units.

GLOBALFOUNDRIES is a majority owned subsidiary of Mubadala Technology Investments LLC ("Shareholder") through its subsidiaries, Mubadala Technology Investment Company and MTI International Investment Company LLC. Mubadala Technology Investments LLC is a subsidiary of Mamoura Diversified Global Holding PJSC ("MDGH"). Mubadala Investment Company PJSC ("MIC") is the ultimate parent company. See Note 29 for further discussion of the Company's related party disclosures.

On April 15, 2019, the Company entered into an agreement with Semiconductor Components Industries, LLC ("ON Semiconductor") to sell the Company's facility in East Fishkill, New York for $400,000, including buildings, facilities, certain equipment, inventories, certain contracts, furniture, employees and $30,000 for a technology license. Under the agreement the Company will manufacture 300mm wafers for ON Semiconductor until the end of 2022 for additional fees, allowing ON Semiconductor to increase its 300mm production at the East Fishkill fab over several years. Under the agreement, ON Semiconductor committed to minimum fixed cost payments in each year from 2020 through 2022. The agreement also includes a technology transfer and development agreement and a technology license agreement. The Company received $100,000 and recognized license revenue of $30,000 for the technology license in 2019. On October 1, 2020, the Company entered into an amendment to the agreement with ON Semiconductor Corporation. On Semiconductor Corporation agreed to pay the Company an additional $100,000 non-refundable deposit on the purchase price in exchange for a reduction in the minimum fixed cost commitment for 2021. On October 5, 2020, the Company received $100,000 and recorded it as a deposit received. The Company continues to operate the facility until the sale is closed.

The consolidated financial statements were authorized by the GLOBALFOUNDRIES' Board of Directors on March 30, 2022 to be issued and subsequent events have been evaluated for their potential effect on the consolidated financial statements through March 31, 2022.

2. Basis of Preparation

Statement of Compliance—The consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. The consolidated financial statements comprise the financial statements of GLOBALFOUNDRIES and its subsidiaries.

Basis of Measurement—These financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

Functional and Presentation Currency—The consolidated financial statements are presented in United States (U.S.) dollars ($), which is the Company's functional and presentation currency.

Foreign Currency Translation—Assets and liabilities of foreign operations having a functional currency other than the U.S. dollar are translated at the rate of exchange prevailing at the reporting date and revenue and expenses at the rate of exchange prevailing at the dates of the transactions during the period. Gains or losses on translation of foreign subsidiaries are included in other comprehensive income (loss).

In preparing the consolidated financial statements of the company, foreign currency-denominated monetary assets and liabilities are translated into the functional currency using the closing rate at the applicable consolidated statement of financial position dates. Non-monetary assets and liabilities, denominated in a foreign currency and measured at fair value, are translated at the rate of exchange prevailing at the date when the fair value was determined and non-monetary assets measured at historical cost are translated at the historical rate. Revenue and expenses are measured in the functional currency at the rates of exchange prevailing at the dates of the transactions with gains or losses included in income.

Basis of Consolidation—The consolidated financial statements comprise the financial statements of GLOBALFOUNDRIES and its subsidiaries. Subsidiaries are fully consolidated from the date of acquisition, being the date on which GLOBALFOUNDRIES obtains control, and continue to be consolidated until the date when such control ceases. All intercompany transactions, balances, income and expenses are eliminated in full on consolidation. Wholly owned subsidiaries and controlled entities included in these consolidated financial statements are disclosed in Note 14.

Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. Specifically, the Company controls a subsidiary if, and only if, the Company (a) has a power over the subsidiary, (b) is exposed, or has rights, to variable returns from its involvement with subsidiary, and (c) has the ability to use the power to affect its returns.

Profit or loss and each component of other comprehensive income (loss) ("OCI") are attributed to the equity holder of the Company and to the non-controlling interests.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Company loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resulting gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value.

Reclassification—Certain prior period amounts have been reclassified to conform to the current period presentation.

3. Summary of Accounting Policies, Judgements, Estimates and Assumptions

Business Combinations—Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in selling, general and administrative expenses.

When the Company acquires a business, assets acquired and liabilities assumed are measured at their respective fair values on the acquisition date. The Company assesses the assets acquired and liabilities assumed for appropriate classification in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Investments in Joint Ventures—Joint ventures are those entities over whose activities the Company has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions.

Investments in jointly controlled entities are accounted for using the equity method of accounting (herein after referred to as "equity accounted investees") and are recognized initially at cost. The consolidated financial statements include the Company's share of the income and expenses and equity movements of equity accounted investees, after adjustments to align the accounting policies with those of the Company, from the date that joint control commences until the date that joint control ceases. The most recent available financial statements of the equity accounted investees are used in applying the equity method. When the end of the reporting period of the equity accounted investees is different from the Company, and it is impracticable for the equity accounted investees to prepare financial statements as of the same date as the Company, the Company's share of the income and expenses and equity movements of equity accounted investees may be recorded with up to a one-month lag. After application of the equity method, the Company determines whether it is necessary to recognize an impairment loss on its investment in its joint venture. At each reporting date, the Company determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, and then recognizes the loss as share of profit (loss) of joint ventures and associates in the consolidated statements of operations and comprehensive loss.

When the Company's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest, including any long-term investments, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Company has an obligation on behalf of the investee.

Cash and Cash Equivalents—Cash and cash equivalents includes cash on hand and balances at banks, deposits held on call with banks, and financial instruments that are not subject to significant risk of changes in value, are readily convertible into cash and have original maturities of three months or less at the time of purchase.

Trade Accounts Receivable—Trade accounts receivable are recognized initially at fair value. A provision for impairment of trade accounts receivable is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

Financial Instruments:

Category of financial instruments and measurement

Recognition and Initial Measurement—Trade receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component), or financial liability is initially measured at fair value plus, in the case of a financial asset not at fair value recognized in profit and loss ("FVPL"), transaction costs that are directly attributable to its acquisition or issue. Transaction costs of a financial assets carried at FVPL are expensed in profit and loss. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and Measurement—All recognized financial assets are measured based on amortized cost or fair value. The classification is based on two criteria, the Company's business model for managing the assets and whether the instrument's contractual cash flows represent solely payments of principal and interest ("SPPI").

The assessment of whether contractual cash flows on debt instruments are solely comprised of principal and interest is made based on the facts and circumstances as at the initial recognition of assets.

Financial assets are recorded at amortized cost when such financial assets are held with the objective to collect contract cash flows that meet the SPPI criterion. This category includes debt, trade and other receivables and loans to related parties included under receivables, prepayments and other assets.

Financial assets recorded at FVPL comprise unquoted equity instruments which the Company had not irrevocably elected, at initial recognition, to classify at fair value through other comprehensive income ("FVOCI"). This category would also include debt instruments (including loans to related parties) whose cash flow characteristics fail the SPPI criterion or are not held to either collect contractual cash flows or to both collect contractual cash flows and sell financial assets.

Financial assets recorded at FVOCI comprise unquoted equity investments which the Company irrevocably elects, at initial recognition, to classify at fair value through OCI when they meet the definition of equity and are not held for trading. The classification is determined on an instrument-by-instrument basis. Gains and losses on these financial assets are never recorded to profit or loss. Dividends are recognized as other income in the consolidated statements of operations and comprehensive income when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at FVOCI are not subject to impairment assessment.

Derecognition—The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or transfer. The company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired. The difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit and loss.

Impairment of financial assets

The Company will record an allowance for expected credit losses ("ECL") for all loans, contract assets, and other debt financial assets not recorded at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

The Company estimated its expected credit losses for its contract assets, loans to related parties, trade receivables and other receivables and other receivables at an amount equal to lifetime credit losses.

Offsetting of Financial Instruments—Financial assets and financial liabilities are offset and the net amount reported in the consolidated statements of financial position when there is an enforceable legal right to offset the recognized amounts, and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

Fair Value of Financial Instruments—The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include using recent arm's-length market transactions; reference to the current fair value of another instrument that is substantially the same; a discounted cash flow analysis or other valuation models.

Derivative Financial Instruments and Hedge Accounting—The Company uses derivative financial instruments, such as foreign currency forward contracts, interest rate swaps, cross currency swaps and commodity forward contracts to mitigate the risks associated with changes in foreign currency exchange, interest rates and commodity price. The Company does not use derivative financial instruments for trading or speculative purposes. Derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value at each reporting date. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

In applying its strategy, from time to time, the Company uses foreign currency forward contracts to hedge certain forecasted expenses denominated in foreign currencies, primarily the Euro and Singapore Dollar. The Company hedges future cash flows for capital expenditures denominated in foreign currencies, primarily the Euro and Yen. In addition, the Company uses pay-fixed/receive-float interest rate swaps and cross-currency swaps to protect the Company against adverse fluctuations in interest rates and foreign currency rates and to reduce its exposure to variability in cash flows on the Company's forecasted floating-rate debts and foreign currency- denominated debts. The Company also uses commodity forward contracts to hedge forecasted electricity consumption to minimize the impact of commodity price movements on the reported earnings of the Company and on future cash flows related to fluctuations of the contractually specified, separately identifiable and reliably measurable commodity risk component.

At the inception of the hedge relationship, the Company documents the relationship between the hedging instrument and the hedged item along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge, and on an ongoing basis, the Company documents whether a hedging relationship meets the hedge effectiveness requirements under IFRS 9 and whether there continues to be an economic relationship between the hedged item and the hedging instrument. The Company designates these contracts and swaps as cash flow hedges of forecasted expenses, capital expenditures or floating-rate and foreign currency denominated debts, as applicable, and evaluates hedge effectiveness prospectively.

As such, the effective portion of the gain or loss on these contracts and swaps is reported as a component of OCI and reclassified to the consolidated statements of operations and comprehensive loss in the same line item as the associated forecasted transaction for expenses and in the same period during which the hedged item affects earnings. For hedges of capital expenditures, the amount in OCI is incorporated into the initial carrying amounts of the non-financial assets and depreciated over the average useful life of the underlying assets. Any ineffective portion of hedges for expenses or capital expenditures is immediately recorded in the consolidated statements of operations and comprehensive loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer meets the criteria for hedge accounting. Any gain or loss recognized in the cash flow hedge reserve remains in equity and is recognized in profit or loss when the forecast transaction is ultimately recognized in profit or loss. When a forecasted transaction is no longer expected to occur, the gain or loss accumulated in equity is recognized immediately in profit or loss.

Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the financial asset to another entity. On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss.

On derecognition of an investment in a debt instrument at FVOCI, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income is recognized in profit or loss. However, on derecognition of an investment in an equity instrument at FVOCI, the cumulative gain or loss that had been recognized in OCI is transferred directly to retained earnings, without recycling through profit or loss.

Current versus noncurrent classification of derivative instruments—Derivative instruments are classified as current or noncurrent or separated into a current and noncurrent portion based on an assessment of the facts and circumstances. Derivative financial instruments are classified as a current asset or liability when they have a maturity period within 12

months. Where derivative financial instruments have a maturity period greater than 12 months, they are classified within either noncurrent assets or liabilities.

Where the Company will hold a derivative as an economic hedge (and does not apply hedge accounting) for a period beyond 12 months after the reporting date, the derivative is classified as noncurrent (or separated into current and noncurrent portions) consistent with the classification of the underlying item. Derivative instruments that are designated as, and are effective hedging instruments, are classified based on the settlement date.

Intangible Assets—Technology, patent, software licenses and similar rights acquired separately are stated at cost or are adjusted to fair value when impaired. Intangible assets acquired through business combinations which include customer relationships and manufacturing and process technology, are recorded at estimated fair values at the date of acquisition. Intangible assets are amortized based on the pattern in which the economic benefits of the respective intangible asset are consumed, which is in general on a straight-line basis over their estimated useful lives of between three and ten years. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the consolidated statements of operations and comprehensive loss in the expense category that is consistent with the function of the intangible assets.

Impairment of Non-Financial Assets—The Company reviews, at each reporting date, the carrying amount of the Company's property, plant and equipment and finite lived intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. Factors that the Company considers important in deciding when to perform an impairment review include, but are not limited to:

- Significant underperformance relative to historical or projected future operating results;
- Significant changes in the manner of the Company's use of the acquired assets or the Company's overall business strategy; and
- Significant unfavorable industry or economic trends.

If any indication exists, the recoverable amount of the asset is estimated in order to determine the extent, if any, of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual assets, The Company estimates the recoverable amount of the cash generating unit ("CGU") to which the asset belongs. The recoverable amount of an asset or CGU is estimated to be the higher of an asset's or CGU's fair value less costs to dispose and its value in use. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset or CGU is considered impaired and is written down to its recoverable amount. The Company also evaluates, and adjusts if appropriate, the asset's useful lives, at each reporting date or when impairment indicators exist.

In assessing value in use, the estimated future post-tax cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. The Company bases its impairment calculation on detailed budgets and forecast calculations, which may include an approved formal five-year management plan for each of the CGUs to which the individual assets are allocated. In determining fair value less costs to sell, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses are recognized in the consolidated statements of operations and comprehensive loss to the extent of the recoverable amount, measured at the present value of discounted cash flows attributable to the assets, is less than their carrying value.

The Company also performs periodic reviews to identify assets that are no longer used and are not expected to be used in future periods and record an impairment charge to the extent that the carrying amount of the tangible and intangible assets exceeds the recoverable amount.

If the recoverable amount subsequently increases, the impairment loss previously recognized will be reversed to the extent of the increase in the recoverable amount, provided that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. The impairment loss reversal is recognized immediately in the consolidated statements of operations and comprehensive loss.

Provisions—Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are mainly made up of site restoration obligations. The associated site restoration costs are capitalized as part of the carrying amount of the underlying asset and depreciated over the estimated useful life of the related long-lived assets.

The Company records site restoration obligations in the period in which they are incurred at their estimated fair value. Site restoration obligations consist of the present value of the estimated costs of dismantlement, removal, site reclamation and similar activities associated with facilities built on land held under long-term operating leases. The site restoration obligations are recorded as a liability at the estimated present value as of the related long-lived asset's inception discounted using a pre-tax rate that reflects the current market assessment of the time value of money and risks specific to the site restoration obligations. After initial recognition, the liability is increased for the passage of time, with the increase being reflected as accretion expense in the line item "finance expenses" in the consolidated statements of operations and comprehensive loss. The associated site restoration costs are capitalized as part of the carrying amount of the underlying asset and depreciated over the estimated useful life of the related long-lived asset. Subsequent adjustments in the discount rates, estimated amounts, timing and probability of the estimated future costs and changes resulting from the passage of time are recognized as an increase or decrease in the carrying amount of the liability and the related site restoration cost capitalized as part of the carrying amount of the related long-lived asset on a prospective basis. If the decrease in the liability exceeds the remaining carrying amount of the related long-lived assets, the excess is recognized in the consolidated statements of operations.

Leasing—On January 1, 2019, the Company adopted IFRS 16, *Leases*, using the modified retrospective approach by applying the new standard to all leases existing at the adoption date and not restating comparative periods. The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Right-of-use assets—The Company recognizes right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are reported within property, plant and equipment, and are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities—At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of the lease payments to be made over the lease term. Only lease payments that are fixed and determinable are considered at the time of commencement. The lease payment includes fixed payments (including in-substance fixed payments) less any lease incentives, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (*e.g.*, changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying assets.

The Company's lease liabilities are separately reported in the consolidated statements of financial position under noncurrent portion of lease obligations and current portion of lease obligations.

Short-term leases and leases of low-value assets—The Company applies the short-term lease recognition exemption to leases that have a lease term not exceeding 12 months, or for leases of low-value assets. The payment for such leases is recognized in the Company's consolidated statement of operations and comprehensive loss on a straight-line basis over the lease term.

Earnings Per Share—Basic earnings per share is calculated by dividing the profit or loss attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding, adjusted for the effects of all dilutive potential ordinary shares. The weighted average number of ordinary shares outstanding is increased by the number of additional ordinary shares that would have been issued by the Company assuming exercise of all options with exercise prices below the average market price for the year.

Government Grants—The Company has received investment grants from the Federal Republic of Germany, the State of Saxony, various agencies of the Government of Singapore and the Empire State Development Corporation in New York (collectively referred to as "Government Grants"). These grants are primarily provided in connection with construction and operation of the Company's wafer manufacturing facilities, employment and research and development.

In 2020, the Company has received non-refundable cash grants from the Government of Singapore as part of the Government's relief measures to help businesses deal with the impact from the COVID-19 pandemic under the Job Support Scheme totaling $29,113, which was recorded as a reduction of staff costs. The Company has received $26,313 in 2020 and $2,996 in 2021.

Government grants are recognized when there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as deferred income and released to the consolidated statements of operations and comprehensive loss over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate, and is presented as a reduction of those costs. Where the grant relates to an asset, it is recognized as a reduction in the basis of the asset and released as a reduction to depreciation expense in equal amounts over the expected useful life of the related asset.

Research and Development Costs—Research costs are expensed as incurred. Development costs are recognized as intangible assets only when it is probable that expected future economic benefits, attributable to the development activities, will accrue to the Company.

Borrowing Costs—Borrowing costs directly attributable to the construction phase of property, plant and equipment are capitalized as part of the cost of assets which are constructed by the Company and for which a considerable period of time (at least six months) is planned for construction. Borrowing costs are capitalized from the start of construction until the date the asset is ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

Current Income Tax—Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Current versus noncurrent classification—Current assets are assets held for trading purposes and assets expected to be converted to cash, sold or consumed within one year from the end of the reporting period. Current liabilities are obligations incurred for trading purposes and obligations expected to be settled within one year from the end of the reporting period. Assets and liabilities that are not classified as current are noncurrent assets and liabilities, respectively.

Recent Accounting Pronouncements, Adopted:

Amendments to IFRS 7, IFRS 9 and IAS 39 Interest Rate Benchmark Reform ("IBOR") —

Phase 1 Amendments - On 1 January 2020, the Company adopted the Phase 1 amendments arising from the IBOR reform amendments issued in September 2019, which provides temporary relief from applying specific hedge accounting requirements to hedge relationships directly affected by IBOR reform, such that the effect is that IBOR reform should not generally cause hedge accounting to terminate.

Phase 2 Amendments - On 1 January 2021, the Company adopted the Phase 2 amendments arising from the IBOR reform issued in August 2020. The Phase 2 amendments address issues that arise from the implementation of the IBOR reform, including the replacement of an interest rate benchmark with an alternative benchmark rate. The key reliefs provided to the Company are as follows:

- financial instruments measured at amortized cost are allowed to account for changes in the basis for determining contractual cash flows as a direct consequence of the IBOR reform by updating the effective interest rate, provided that the new basis is economically equivalent to the previous basis, such that there is no immediate gain or loss recognized; and

- most IFRS 9 hedge relationships that are directly affected by the IBOR reform are allowed to continue.

The Company has evaluated the extent to which its cash flow hedging relationships are subject to uncertainty driven by IBOR reform as at December 31, 2021. The Company's hedged items and hedging instruments continue to be indexed to EURIBOR and LIBOR. These benchmark rates are quoted each day and the IBOR cash flows are exchanged with counterparties as usual. The Company has also evaluated the extent to which contracts reference IBOR cash flows, whether such contracts will need to be amended as a result of IBOR reform. There has been communication about IBOR reform with the counterparties. However, no amendments has been to made to the Company's existing IBOR-referenced loan and derivative contracts as of December 31, 2021.

As of December 31, 2021, there is still uncertainty about when and how replacement may occur with respect to the relevant hedged items and hedging instruments. Accordingly, the Company will continue to apply the Phase 1 amendments until the uncertainty arising from the IBOR reform with respect to the timing and the amount of the underlying cash flows that the Company is exposed to is no longer present. This uncertainty will not end until the Company's contracts that reference IBOR are amended to specify the alternative benchmark rate and the relevant adjustment, if any. This will, in part, be dependent on the negotiation with the counterparties and the introduction of fall back clauses which have yet to be added to the Company's contracts.

The Company has a limited exposure to changes in the IBOR benchmark. The Company has $992,867 of interest rate swaps which are in a cash flow hedge relationship of USD Equipment Financing and USD Term Loan A. Also, the Company has EUR 488,993 thousand of cross currency swaps which are in cash flow hedge relationships of EUR Equipment Financing and EUR Term Loan A.

The table below indicates the nominal amount and weighted average maturity of derivatives in hedging relationships that will be affected by IBOR reform as financial instruments transition to risk-free rates, analyzed by interest rate basis. The derivative hedging instruments provide a close approximation to the extent of the risk exposure the Company manages through hedging relationships.

As of December 31, 2021 Interest rate swaps	**Currency**	**Nominal amount**	**Maturity**
Three-month LIBOR	USD	93,750	2023
Three-month LIBOR	USD	709,688	2024
Six-month LIBOR	USD	189,429	2026
Total		**992,867**	
Cross currency swaps (in thousand Euro)			
Three-month LIBOR	EUR	83,000	2024
Six-month LIBOR	EUR	334,564	2024
Six-month LIBOR	EUR	71,429	2026
Total		**488,993**	

Recent Accounting Pronouncements, Not Adopted:

The Company has not adopted the following new, revised or amended IFRS standards that have been issued by the IASB but not yet effective:

- *COVID-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16);*
- *Annual Improvements to IFRS Standards 2018–2020;*
- *Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16);*
- *Reference to Conceptual Framework (Amendments to IFRS 3);*
- *Classification of Liabilities as Current or Non-current (Amendments to IAS 1);*
- *Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2);*
- *Definition of Accounting Estimates (Amendments to IAS 8);*

As of the date the accompanying financial statements were authorized for issue, the Company continues in evaluating the impact on its financial position and performance as a result of the initial adoption of the aforementioned standards or interpretations and related applicable period.

Significant Accounting Judgments, Estimates and Assumptions

Revenue Recognition—The Company derives revenue primarily from fabricating semiconductor wafers using the Company's manufacturing processes for the Company's customers based on their own or third parties' proprietary integrated circuit designs and, to a lesser extent, from design, mask making, bumping, probing, assembly and testing services.

The Company recognizes revenue from contracts with customers by applying the following steps: (i) identify the contracts with the customers; (ii) identify performance obligations in the contracts; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations per the contracts; and (v) recognize revenue when (or as) the entity satisfies a performance obligation.

The majority of the Company's revenue is derived from contracts with customers for wafer fabrication and engineering and other pre-fabrication services such as rendering of non-recurring engineering ("NRE") services and mask production. The Company accounts for a contract with a customer when it has approval and commitment from parties, the rights and obligations of the parties are identified, payments terms are identified, the contract has commercial substance, and collectability of consideration is probable.

The Company generally requires a purchase order from all of its customers, to which the Company responds with an order acknowledgement and a copy of the Company's standard terms and conditions. The Company also enters into master supply agreements ("MSA") with certain of its customers that may specify additional terms and conditions, such as pricing formulas based on volume, volume discounts, calculation of yield adjustments, indemnifications, transfer of title and risk of loss, and payment terms. Under these agreements, volumes are usually not guaranteed. The Company also requires a purchase order from its customers with which it has MSAs for specific products and quantities. As a result, the Company has concluded that the combination of a purchase order and order acknowledgement, including the Company's standard terms and conditions, and the MSA, if applicable, create enforceable rights and obligations between the Company and its customers.

Typically, goods and services provided under the Company's contracts are accounted for as a single performance obligation. However, in some contracts, the Company provides multiple distinct goods or services to a customer. In those cases, the Company accounts for the distinct contract deliverables as separate performance obligations at the stated contract value, which appropriately represents the individual performance obligation's estimated standalone selling price.

The Company fabricates wafers for its customers to the customers' specifications. Since the wafers in process have no alternative use, and the Company has an enforceable right to payment including a reasonable profit (due to the existence of cancellation clauses for each arrangement), the Company concluded that it met the criteria to recognize revenue over time as a percentage of costs incurred over total expected costs.

As discussed in Note 4, a change in cancellation terms in certain wafer orders during the year ended December 31, 2020 resulted in the Company no longer meeting the criteria to account for revenue recognition from contracts with customers over time. As such, the Company recognizes revenue for such modified wafer orders at the point at which control of the wafers is transferred to the customer, which is determined to be at the point of wafer shipment from the Company's facilities or delivery to the customer location. This modification did not have an impact to its contracts to provide NRE services. For its contracts to provide NRE services to the customers' specifications, the Company recognizes revenue as it delivers the service as a percentage of costs incurred over total expected costs.

Certain of the Company's contracts with its customers include potential price adjustments such as volume rebates and yield adjustments that may be refundable to customers. The Company estimates the variable consideration related to these price adjustments as part of the total transaction price and recognizes revenue in accordance with the pattern applicable to the performance obligation, subject to a constraint. The Company constrains the amount of revenue recognized for these contractual provisions based on its best estimate of the amount which will not result in a significant reversal of revenue in a future period. The Company determines the amounts to be recognized based on the amount of potential refund required by the contract, historical experience and other surrounding facts and circumstances. These obligations are typically settled with the customer after shipment through the issuance of a credit note applied against the customer's accounts receivable balance. Any difference between the amount accrued upon shipment for potential refunds and the actual amount agreed to with the customer is recorded as an increase or decrease in revenue. These potential price adjustments are accrued and netted against accounts receivable on the consolidated statements of financial position.

The Company's contracts with its customers also warrant that products and services will meet the specified functionality. Defective products returned by customers are compensated through replacements, repairs or credit notes.

A contract asset ("unbilled accounts receivables") is recognized when the Company has recognized revenue, but not issued an invoice for payment. The Company has determined that unbilled receivables are not considered a significant

financing component of the Company's contracts. Contract assets are included in receivables, prepayments and other assets and transferred to receivables when invoiced (See Note 16).

A contract liability is recognized when the Company receives payments in advance of the satisfaction of performance obligations and are included in deferred revenue on the consolidated statements of financial position (See Note 25).

Costs to obtain a contract are incremental direct costs incurred to obtain a contract with a customer, including sales commissions, and are capitalized if material. Costs to fulfill a contract include costs directly related to a contract or specific anticipated contract (e.g., certain design costs) that generate or enhance the Company's ability to satisfy the Company's performance obligations under these contracts. These costs are capitalized to the extent they are expected to be recovered from the associated contract and are material.

Inventory Valuation—Inventories are stated at standard cost adjusted to the lower of cost or net realizable value. The company measures the cost of its inventory based on a standard cost process with appropriate adjustments for purchasing and manufacturing variances, which approximates weighted average cost. The cost of raw materials is determined using applicable raw material purchase prices. The cost of supplies is determined based on a weighted-average cost formula. Work in process and finished goods are valued at the cost of direct materials and a proportion of manufacturing labor and overhead costs based on normal operating capacity.

Inventory allowances are made on an item-by-item basis, except where it may be appropriate to group similar or related items. An allowance is made for the estimated losses due to obsolescence based on expected future demand and market conditions. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Realization of Deferred Income Tax Asset—Deferred income tax is provided using the liability method on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognized for all taxable temporary differences, except:

- Where the deferred income tax liability arises from the initial recognition of goodwill or of an asset acquired or liability assumed in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognized for all deductible temporary differences, carryforward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilized except in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred income tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at each balance sheet date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred income tax relating to items recognized directly in equity is recognized in equity and not in profit or loss.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Property, Plant and Equipment—Construction in progress, property, plant and equipment are stated at historical cost, net of accumulated depreciation and accumulated impairment losses. The assets' residual values and useful life are reviewed, and adjusted if appropriate, at each balance sheet date. Major additions and improvements are capitalized as appropriate, only when it is probable that future economic benefits associated with the item and the cost of the item can be measured reliably; minor replacements and repairs are charged to the consolidated statement of operations and comprehensive loss. The Company also capitalizes interest on borrowings related to eligible capital expenditures.

Capitalized interest is added to the cost of qualified assets and depreciated together with that asset cost. The Company also records capital-related government grants, not subject to forfeiture, as a reduction to property, plant and equipment.

Depreciation begins when the asset is in the location and condition necessary for it to be capable of operating in the manner intended by management (available for use). Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Building and leasehold/land improvements	Up to 26 years (or the remaining lease term of related land on which the buildings are erected, if shorter)
Equipment	2 to 10 years
Computers	5 years

During the first quarter of 2021, we revised the estimated useful life of certain production equipment and machinery from a range of five to eight years, to ten years. We made this change to better reflect the expected pattern of economic benefits from the use of the equipment and machinery over time, based on an analysis of production equipment's current use, historical age patterns, and future plans and technology roadmaps, as well as an analysis of industry trends and practices. The analysis concluded that an increase in useful lives was warranted, and consistent with the Company's continuing portfolio shift from leading-edge to feature-rich trailing edge technologies. The change in estimated useful life is a change in accounting estimate that was applied prospectively from January 1, 2021.

Share-based payments—Share-based payment expense related to share awards is recognized based on the fair value of the awards granted. The fair value of each option award is estimated on the grant date using the Black-Scholes option pricing model. The option pricing model requires the input of highly subjective assumptions, including the estimated fair value of the Company's stock, expected term of the option, expected volatility of the price of the Company's shares, risk free interest rate and the expected dividend yield of ordinary shares. The assumptions used to determine the fair value of the option awards represent management's best estimates. These estimates involve inherent uncertainties and the application of management's judgment. The Company estimates the expected forfeiture for options utilizing historical data, and only recognizes expense when a defined liquidity event (change in control or IPO) is deemed probable on the number of awards that are expected to vest. After applying a forfeiture estimate during each reporting period for when the options are probable of vesting, the Company recognizes expense on a graded attribution basis for each tranche of the award over the period from the grant date to the later of the one-year anniversary of estimated time following a liquidity event or the legal vesting dates (see Note 30).

The grant date fair value of equity-settles share-based payment awards granted to employee is recognized as an employee benefit expense, with a corresponding increase in equity, over the vesting period of the awards, The amount recognized as an expense is adjusted to reflected the number of awards for which the service and non-market performance conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of wards that meet the service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual performance.

The principles of modification accounting are applied when new share-based payment is granted as a replacement for another share-based payment that is cancelled. When modification accounting is applied, the entity accounts for any incremental fair value in addition to the grant-date fair value of the original award. In the case of a replacement, the incremental fair value is the difference between the fair value of the replacement award and the net fair value of the cancelled award, both measured at the date on which the replacement award is issued. The net fair value is the fair value of the cancelled award measured immediately before the cancellation, less any payment made to the employees on cancellation.

A package of modifications might include several changes to the terms of a grant, some of which are favorable to the employee and some not. In the event if the net effect is not beneficial to the employee, cancellation accounting will be applied. Cancellations or settlements of equity-settled share-based payments during the vesting period by the Company are accounted for as accelerated vesting; therefore, the amount that would otherwise have been recognized for services received is recognized immediately.

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses as well as the disclosure of commitments and contingencies. Actual results may differ from these estimates and such differences may be material to the consolidated financial statements.

Enterprise Value—Given the absence of a public trading market of the Company's ordinary shares prior to the initial public offering, and in accordance with the American Institute of Certified Public Accountants Practice Aid, Valuation of Privately-Held Company Equity Securities Issued as Compensation, the Company's board of directors exercised reasonable judgment and considered numerous objective and subjective factors to determine the best estimate of the fair value of the Company's ordinary shares at each grant date. These factors include:

- valuations of the Company's ordinary shares performed by independent third-party specialists;
- lack of marketability of the Company's ordinary shares;
- the Company's actual operating and financial performance;
- current business conditions and projections;
- hiring of key personnel and the experience of the Company's management;
- the history of the Company and the introduction of new products;
- the Company's stage of development;
- the market performance of comparable publicly traded companies; and
- the U.S. and global capital market conditions.

In valuing the Company's ordinary shares, the Company's board of directors determined the equity value of the Company's business using various valuation methods including combinations of income and market approaches with input from management. The income approach estimates value based on the expectation of future cash flows that a company will generate. These future cash flows are discounted to their present values using a discount rate derived from an analysis of the cost of capital of comparable publicly traded companies in the Company's industry or similar business operations as of each valuation date and is adjusted to reflect the risks inherent in the Company's cash flows. For the market approach, the Company reviews the performance of a set of guideline comparable public companies, and considers the guideline companies' various financial characteristics, including size, profitability, balance sheet strength, and diversification as compared to the Company. Subsequent to IPO, the fair value of the ordinary shares is determined based on market share price.

Application of these approaches involves the use of estimates, judgment, and assumptions that are highly complex and subjective, such as those regarding the Company's expected future revenue, expenses, and future cash flows, discount rates, market multiples, and the selection of comparable companies. Changes in any or all of these estimates and assumptions or the relationships between those assumptions impact the Company's valuations as of each valuation date and may have a material impact on the valuation of the Company's ordinary shares.

Impairment Assessment of Non-Financial Assets—Impairment exists when the carrying value of an asset or CGU exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs to sell calculation is based on a discounted cash flow analysis that a potential buyer would perform in determining a transaction value of the CGU less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. When preparing the discounted cash flow analysis, the Company makes subjective judgments in determining the independent cash flows that can be related to a specific CGU based on its asset usage model and manufacturing capabilities in addition to the discount rate used in the analysis. In addition, because subjective judgments are made regarding the remaining useful lives of assets and expected future revenue and expenses associated with the assets, changes in these estimates based on changes in economic conditions or business strategies could result in material impairment charges in future periods. The key assumptions used to determine the recoverable amount for the different CGUs, including sensitivity analysis, are disclosed and further explained in Note 14.

Income Taxes—In determining taxable income for financial statement reporting purposes, management makes certain estimates and judgments specific to taxation issues. These estimates and judgments are applied in the calculation of certain tax liabilities and in the determination of the recoverability of deferred tax assets, which arise from temporary differences between the recognition of assets and liabilities for income tax and financial statement reporting purposes.

Deferred taxes are recognized for unused losses, among other events, to the extent that it is probable that taxable profit will be available against which the losses can be utilized.

This evaluation requires the exercise of judgment with respect to, among other things, benefits that could be realized from available tax strategies and future taxable income, as well as other positive and negative factors. The ultimate realization of deferred tax assets is dependent upon, among other things, the Company's ability to generate future taxable income that is sufficient to utilize loss carry-forwards or tax credits before their expiration or the Company's ability to implement prudent and feasible tax planning strategies.

If estimates of projected future taxable income and benefits from available tax strategies are reduced as a result of a change in the assessment or due to other factors, or if changes in current tax regulations are enacted that impose

restrictions on the timing or extent of the Company's ability to utilize net operating losses and tax credit carry-forwards in the future, the Company may be required to reduce the amount of total deferred tax assets resulting in a decrease of total assets. Likewise, a change in the tax rates applicable in the various jurisdictions or unfavorable outcomes of any ongoing tax audits could have a material impact on the future tax provisions in the periods in which these changes could occur.

In addition, the calculation of tax liabilities involves dealing with uncertainties in the application of complex tax rules and the potential for future adjustment of uncertain tax positions by the tax authorities in the countries in which the Company operates. If estimates of these taxes are greater or less than actual results, an additional tax benefit or charge may result.

Changes in estimates—We regularly assess the estimated useful lives of our property, plant, and equipment. Based on our assessment of the longer product life cycles, the versatility of production equipment to provide better flexibility to meet changes in customer demands, and the ability to re-use production equipment over several technology cycles, we revised the estimated useful lives of our 200mm and 300mm production equipment from 5 and 8 years, respectively, to 10 years, beginning the first quarter of 2021. As a result, this benefited loss before income taxes by approximately $628,000 for the year ended December 31, 2021. This change increased the Company's total basic and diluted earnings per share by approximately $1.24 for the year ended December 31, 2021.

4. Net Revenue

The following table presents the Company's revenue disaggregated based on revenue source and timing of revenue recognition. The Company believes these categories best depict how the nature, timing, and uncertainty of revenue cash flows are affected by economic factors.

	2019	2020	2021
Type of goods and services:			
Wafer fabrication	$ 5,442,550	$ 4,440,291	$ 6,204,068
Engineering and other pre-fabrication services	370,238	410,214	381,011
	$ 5,812,788	**$ 4,850,505**	**$ 6,585,079**
Timing of revenue recognition:			
Revenue recognized over time	$ 5,736,926	$ 4,227,448	$ 356,862
Revenue recognized at a point in time	75,862	623,057	6,228,217
	$ 5,812,788	**$ 4,850,505**	**$ 6,585,079**

During the year ended December 31, 2020, due to operational and commercial reasons, the Company modified the cancellation terms of its contracts with customers that are applicable to wafer fabrication products.

As a result, the Company no longer has an enforceable right to payment covering cost incurred plus a reasonable profit margin for work completed to date when a customer cancels its wafers purchase order at any stage of production. The change was effective to all wafer outstanding purchase orders as at the date of contract modification and future purchase orders thereafter. The contract modification had no impact on the originally agreed wafer volume, the related wafer price, and other terms and conditions of its existing contracts with customers. Likewise, the modification did not have an impact to its contracts to provide NRE services to the customers' specifications; therefore, the Company continuously recognizes revenue as it delivers the NRE service as a percentage of costs incurred over total expected costs. Prior to the contract modification, the Company satisfied its performance obligations over time because of the customer's contractual obligation to pay for work completed to date with a reasonable profit. The change in cancellation terms substantively modified the contracts with customers. As a result, the Company no longer meets the criteria to account for revenue recognition from contracts with customers over time on the outstanding purchase orders at the contract modification date and future orders thereafter. Consequently, the Company recognizes revenue on the impacted outstanding wafers orders and future orders at the point at which control of the wafers is transferred to the customer, which is determined to be at the point of wafer shipment from the Company's facilities or delivery to the customer location, as determined by the agreed shipping terms.

In 2020, the Company recognized a cumulative decrease in revenue of $315,308 and a corresponding decrease in unbilled accounts receivable, and a cumulative decrease in cost of revenue of $255,557 and a corresponding increase in inventories, with a net decrease in gross margin of $59,751 on the impacted outstanding purchase orders on the date of contract modification.

5. Cost of Revenue

	2019	2020	2021
Depreciation of PPE and amortization of intangible assets [1]	$ 2,382,199	$ 2,186,957	$ 1,421,798
Inventory changes and materials costs	1,796,906	1,098,318	1,725,374
Staff costs, maintenance costs, and utilities	2,121,007	2,189,481	2,423,744
Other	44,920	88,469	894
	$ 6,345,032	**$ 5,563,225**	**$ 5,571,810**

(1) Amounts are net of amortization of government grants relating to assets. See Note 12 for the detailed movements of property, plant and equipment.

6. Research and Development Expenses

	2019	2020	2021
Staff costs, maintenance costs, and utilities	$ 300,124	$ 229,996	$ 256,715
Depreciation of PPE and amortization of intangible assets	209,339	220,475	147,157
Other [1]	73,511	25,298	74,289
	$ 582,974	**$ 475,769**	**$ 478,161**

(1) Other primarily includes material costs and net (income) expenses related to research funding agreements and wafer, labor, software license costs allocated (to) and from cost of revenue.

7. Selling, General and Administrative Expenses

	2019	2020	2021
Staff costs, maintenance costs, and utilities [1]	$ 343,005	$ 339,728	$ 536,803
Depreciation of PPE and amortization of intangible assets	86,686	115,082	49,889
Other [2]	$ 15,937	$ (9,950)	8,228
	$ 445,628	**$ 444,860**	**$ 594,920**

(1) Staff costs, maintenance costs, and utilities costs include share-based payments of $0, $980 and $151,730 for share options for the year ended December 31, 2019, 2020 and 2021, respectively. See Note 3 for further discussion on the timing of expense recognition.
(2) Other primarily includes net professional charges, marketing expenses and facility costs. Real estate transfer taxes are also included in Other.

8. Impairment Charges

The Company recorded the following impairment charges:

	2019	2020	2021
Equipment	$ 17,886	$ 22,672	$ —
Equipment held for sale[1]	43,880	—	—
Intellectual property and other	2,184	—	—
Total impairment charges	**$ 63,950**	**$ 22,672**	**$ —**

(1) In the year ended December 31, 2019, the Company identified certain underutilized fabrication tools and also offered them for sale. These assets were no longer being depreciated while awaiting sale. The carrying values of these assets exceeded the recoverable values based on agreements to sell or a valuation report obtained from a third-party valuation firm.

9. Finance Expenses

	2019	2020	2021
Interest on long-term debt	$ 159,114	$ 97,855	$ 71,991
Interest on lease obligations	43,666	34,807	26,859
Commitment fees and amortization of debt issuance costs	23,457	18,366	12,442
Accretion costs and other	3,939	3,359	2,413
Total Finance Expenses	**$ 230,176**	**$ 154,387**	**$ 113,705**

10. Gain on Sale of a Fabrication Facility and Application Specific Integrated Circuit Business

For the year ended December 31, 2019, the Company recognized the following gain from sale of a fabrication facility and Application Specific Integrated Circuit ("ASIC") business-related assets:

	2019
Facility in Tampines, Singapore	$ 196,554
ASIC Business	418,000
Total gain on sale of a fabrication facility and ASIC business	**$ 614,554**

Facility in Tampines, Singapore

On January 31, 2019, the Company entered into an agreement with Vanguard International Semiconductor Corporation ("VIS") to sell the Company's facility in Tampines, Singapore for $236,000, including buildings, facilities, equipment and intellectual properties associated with the Company's Micro Electro Mechanical Systems, or MEMS, business. Under the terms of the agreement, the Company continued to operate the facility through the end of 2019, providing a transition period to facilitate technology transfers for VIS and the Company's remaining customers. The sale closed on December 31, 2019 and the Company recognized a gain upon the completion of the sale amounting to $196,554 after derecognition of net assets of $39,446. The following is the breakdown of the net assets that were derecognized:

	December 31, 2019
Property, plant and equipment	$ 54,061
Inventories	1,908
Receivables	800
Total Assets	**56,769**
Lease liabilities	(9,681)
Other current and noncurrent liabilities	(6,739)
Other	(903)
Total Liabilities	**(17,323)**
Net Assets	**$ 39,446**

ASIC Business

On May 20, 2019, the Company entered into an agreement with Marvell Technology Group Ltd. to sell certain ASIC assets, contracts, intellectual properties, inventories and employees. On November 5, 2019, the sale closed for a consideration of $555,977. The Company recognized a gain of $418,000 after derecognition of net assets of $124,067, and commission and termination costs of $13,900. Under the agreement, the Company will manufacture wafers for Marvell

Technology Group Ltd for additional fees and the Company received advanced fees of $40,000 in 2019. As of December 31, 2020, $28,766 of advanced fees continue to be recorded in trade and other payables and other noncurrent liabilities.

The following is the breakdown of the net assets that were derecognized:

	December 31, 2019
Property, plant and equipment	$ 18,894
Intangible assets	10,239
Unbilled accounts receivable	95,857
Inventories	30,285
Other current and noncurrent assets	8,039
Total Assets	**163,314**
Lease liabilities	(619)
Deferred revenue	(36,417)
Other current and noncurrent liabilities	(2,211)
Total Liabilities	**(39,247)**
Net Assets	**$ 124,067**

11. Other Income (Expense), Net

	2019	2020	2021
Gain on legal settlement[2]	$ —	$ 294,217	$ —
Gain on remeasurement of existing equity interests (Note 14)	—	38,470	—
Other[1]	74,055	107,620	(11,481)
Total other income, net	**$ 74,055**	**$ 440,307**	**$ (11,481)**

(1) Relate primarily to gains on the sales of property, plant and equipment and intangible assets.

(2) On April 10, 2020, under the terms of a settlement agreement, the Company received a settlement and recorded total gains of $294,217 related to this settlement for the year ended December 31, 2020.

12. Property, Plant And Equipment

	Land and Land Improvements	Building and Leasehold Improvements	Equipment	Computer	Construction in Progress	Total
Cost						
As of December 31, 2019	$ 107,011	$ 7,330,889	$ 21,750,367	$ 403,774	$ 232,378	$ 29,824,419
Additions[1]	—	15,016	31,494	276	570,576	617,362
Transfers from construction in progress	—	43,833	373,359	7,928	(425,120)	—
Transfers from assets held for sale	—	—	75,158	—	—	75,158
Acquisition of subsidiaries	9,362	57,426	167,509	—	76,491	310,788
Disposals	(11,926)	(6,781)	(358,502)	(1,266)	(3,538)	(382,013)
As of December 31, 2020	104,447	7,440,383	22,039,385	410,712	450,787	30,445,714
Additions[1]	25,615	70,831	32,608	969	1,794,343	1,924,366
Transfers from construction in progress	—	116,406	676,866	27,514	(820,786)	—
Disposals	—	(45,864)	(371,007)	(4,717)	(717)	(422,305)
Effect of exchange rate changes	105	(5,990)	(27,544)	—	(325)	(33,754)
As of December 31, 2021	**$ 130,167**	**$ 7,575,766**	**$ 22,350,308**	**$ 434,478**	**$ 1,423,302**	**$ 31,914,021**
Accumulated Depreciation and Impairment						
As of December 31, 2019	$ 27,909	$ 3,438,689	$ 16,401,216	$ 338,701	$ 6,635	$ 20,213,150
Additions[1]	3,960	424,304	1,783,572	26,569	—	2,238,405
Impairments	—	5,331	18,786	—	—	24,117
Transfers from assets held for sale	—	—	71,681	—	—	71,681
Disposals	(582)	(2,172)	(323,916)	(1,171)	—	(327,841)
As of December 31, 2020	31,287	3,866,152	17,951,339	364,099	6,635	22,219,512
Additions[1]	5,622	444,417	936,797	24,582	—	1,411,418
Disposals	68	(44,286)	(361,589)	(4,706)	—	(410,513)
Effect of exchange rate changes	—	4	(19,378)	—	—	(19,374)
As of December 31, 2021	**$ 36,977**	**$ 4,266,287**	**$ 18,507,169**	**$ 383,975**	**$ 6,635**	**$ 23,201,043**
Net book value as of December 31, 2020	**$ 73,160**	**$ 3,574,231**	**$ 4,088,046**	**$ 46,613**	**$ 444,152**	**$ 8,226,202**
Net book value as of December 31, 2021	**$ 93,190**	**$ 3,309,479**	**$ 3,843,139**	**$ 50,503**	**$ 1,416,667**	**$ 8,712,978**

(1) The Company earned investment tax credits related to the Company's construction of a wafer fabrication facility in Saratoga County, New York (which were netted against additions relating to Building and Leasehold Improvements and Equipment). These credits were generally earned based on when the related assets were placed in service. The Company recorded the investment tax credits as a reduction of property and equipment costs. As of December 31, 2020, and 2021, the investment tax credits included in property and equipment amounted to $259,969 and $214,282, respectively.

The Company has lease contracts for various facilities, plant, machinery, vehicles and other equipment. Before the adoption of the new standard on January 1, 2019, the Company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. A lease was classified as a finance lease if it transferred substantially all of the risk and profit incidentals of the leased asset to the Company; otherwise it was classified as an operating lease.

Upon adoption of the new standard the Company applied a single recognition and measurement approach for all leases that it is the lessee, except for leases with terms of 12 months or less, and leases of low value items. The Company recognized lease liabilities for lease payments and right of use ("ROU") assets representing the right to use the underlying assets.

On January 1, 2019, the Company recognized total ROU assets of $358,518 with corresponding liabilities of $525,543 on the consolidated financial position, which includes $280,415 of pre-existing ROU assets and $417,850 of pre-existing lease liabilities.

The gross amount of assets recorded under ROU leases, which are included in property, plant and equipment amounted to $858,138 and $906,831 as of December 31, 2020 and 2021, respectively. The net carrying value of ROU leases amounted to $292,193 and $305,277 as of December 31, 2020 and 2021, respectively. Amortization of ROU assets is included in depreciation expense. Depreciation expense for the years ended December 31, 2019, 2020 and 2021 for all ROU assets was $55,798, $56,964 and $80,689 respectively.

Depreciation expenses on property, plant and equipment are as follows:

	2019	2020	2021
Cost of revenue	$ 2,290,531	$ 2,087,376	$ 1,308,777
Research and development expenses	105,113	121,078	73,161
Selling, general and administrative expenses	40,255	29,951	29,480
Total	**$ 2,435,899**	**$ 2,238,405**	**$ 1,411,418**

13. Goodwill and Intangible Assets

Cost	Technology, Licenses and Similar Rights	Software	Patents	Goodwill	Others	Total
As of December 31, 2019	$ 1,274,547	$ 270,844	$ 264,826	$ 5,477	$ 131,200	$ 1,946,894
Additions	192,507	12,323	—	—	610	205,440
Acquisitions of subsidiaries	—	326	—	12,547	—	12,873
Disposals	(217,825)	(4,192)	(30,349)	—	—	(252,366)
As of December 31, 2020	1,249,229	279,301	234,477	18,024	131,810	1,912,841
Additions	32,471	4,300	—	—	—	36,771
Disposals	(79,958)	(32)	(4,554)	—	—	(84,544)
As of December 31, 2021	**$ 1,201,742**	**$ 283,569**	**$ 229,923**	**$ 18,024**	**$ 131,810**	**$ 1,865,068**
Accumulated Amortization						
As of December 31, 2019	$ 821,298	$ 243,738	$ 173,057	$ —	$ 74,020	$ 1,312,113
Additions	166,707	20,748	39,474	—	57,180	284,109
Impairments	(1,445)	—	—	—	—	(1,445)
Disposals	(201,674)	(1,891)	(26,313)	—	—	(229,878)
As of December 31, 2020	784,886	262,595	186,218	—	131,200	1,364,899
Additions	162,066	14,629	30,731	—	—	207,426
Disposals	(79,958)	129	(4,177)	—	—	(84,006)
As of December 31, 2021	**$ 866,994**	**$ 277,353**	**$ 212,772**	**$ —**	**$ 131,200**	**$ 1,488,319**
Net book value as of December 31, 2020	**$ 464,343**	**$ 16,706**	**$ 48,259**	**$ 18,024**	**$ 610**	**$ 547,942**
Net book value as of December 31, 2021	**$ 334,748**	**$ 6,216**	**$ 17,151**	**$ 18,024**	**$ 610**	**$ 376,749**

Amortization expenses on intangible assets are as follows:

	2019	2020	2021
Cost of revenue	$ 91,668	$ 99,581	$ 113,021
Research and development expenses	104,226	99,397	73,996
Selling, general and administrative expenses	46,431	85,131	20,409
Total	**$ 242,325**	**$ 284,109**	**$ 207,426**

14. Investments in Joint Ventures

The Company has the following investments and voting rights in joint venture:

	Country of Incorporation	December 31, 2020	December 31, 2021
Silicon Manufacturing Partners Pte Ltd. (“SMP”)	Singapore	49%	49%
Sensry GmbH (“Sensry”)	Germany	25%	25%

- SMP is an independent foundry that fabricates semiconductor integrated circuits on silicon wafers using advanced production facilities and the propriety integrated circuit designs of its customers in the semiconductor industry.
- Sensry manufactures customized industrial sensor modules.

On January 1, 2020, the Company executed amendments to its joint venture agreement and limited partnership agreements related Advanced Mask Technology Centre GmbH & Co. KG (“AMTC”) and Maskhouse Building Administration GmbH & Co. KH (“BAC”) under which the terms of the agreements were extended to March 31, 2022 and the Company obtained the determining vote over changes in the business plans of AMTC and BAC. The Company has concluded that it has obtained control over the AMTC and BAC joint venture and has consolidated the joint venture effective January 1, 2020.

The Company evaluated whether the legal form of joint ventures gave the owning parties rights to the underlying assets and liabilities of the joint ventures and concluded that the Company only had access to its net investment (and not a specific share of the assets and liabilities). Further, the Company evaluated the associated joint ventures agreements to support the acquisition of output noting that the agreements allowed external third parties to acquire the output. Considering these factors, the Company has concluded that these entities would be classified as joint ventures. According to the provisions of IAS 28 (revised 2011) and IFRS 11, the joint ventures have been recognized through the equity method of accounting.

The following table presents the movement in investment in joint ventures:

	2020	2021
Beginning balance	$ 77,331	$ 36,702
Share of profits for the period	3,876	3,631
Capital reduction	(50)	—
Dividends declared during the period	(2,586)	(2,395)
Reduction in investments due to the consolidation of AMTC and BAC	(41,869)	—
Ending balance	**$ 36,702**	**$ 37,938**

As part of a cost reduction strategy, the Company decided in 2019 to wind down its mask production operations at its Burlington, Vermont location and transfer those operations to its joint venture mask house, AMTC in Dresden, Germany and increase its share of the joint venture mask house’s productive capacity. On January 1, 2020, the Company obtained control of the AMTC and BAC joint ventures through an amendment of the joint venture agreement granting the Company the determining vote over changes in the business plans of AMTC and BAC. The Company consolidated the joint venture effective January 1, 2020. No consideration was paid to the non-controlling shareholder as a result of the amendment to the joint venture agreement. The Company recognized a non-operating gain on remeasurement of existing equity interest of $38,470 upon the remeasurement of its previously held ownership interest to fair value, which was $86,896 and release of the foreign currency translation reserve related to its ownership interest of $6,553.

The Company has elected to measure the non-controlling interests in the acquiree at fair value.

The Company has made an assessment of the fair value of assets and liabilities of AMTC and BAC at the date control was obtained as follows:

	Fair value recognized on deemed acquisition		
	AMTC	BAC	Total
Assets:			
Property, plant and equipment	$ 243,974	$ 66,815	$ 310,789
Intangible assets	310	16	326
Inventories	7,720	—	7,720
Receivables from government grants	161	—	161
Receivables, prepayments and other assets	31,022	1,335	32,357
Cash and cash equivalents	1,812	2,321	4,133
	284,999	**70,487**	**355,486**
Liabilities:			
Debt	$ 179,217	$ 9,071	$ 188,288
Deferred tax liabilities	3,370	7,009	10,379
Deferred income from government grants	3,143	3,039	6,182
Trade and other payables	9,866	1,800	11,666
Income taxes payable	865	—	865
	196,461	**20,919**	**217,380**
Total identifiable net assets acquired at fair value	88,538	49,568	138,106
Goodwill arising on acquisition	5,498	7,009	12,507
Less: Non-controlling interest measured at fair value	(35,411)	(28,306)	(63,717)
Fair value of equity interest held	**$ 58,625**	**$ 28,271**	**$ 86,896**

Receivables, prepayments and other assets include the fair value of trade receivables amounting to $31,079. The gross amount of trade receivables is $31,079 and it is expected that the full contractual amounts will be collected.

The goodwill is attributed to the synergies expected to arise after the acquisition and is allocated to the Company's mask house cash generating unit, AMTC. None of the goodwill recognized is expected to be deductible for income tax purposes.

The fair value of the non-controlling interest has been estimated based on a proportional allocation of the fair value of the net tangible assets based on a valuation obtained by the Company from a third party valuation firm. The fair value measurements are based on significant inputs that are not observable in the market. The fair value estimate is based on:

- An assumed discount rate of 8.5% to 9.0%.
- A terminal value, calculated based on the Gordon Growth Model with a perpetual growth rate of 3.0%.

During the year ended December 31, 2021, AMTC contributed $39,822 of net revenue after intercompany eliminations and $8,122 to loss before income taxes from operations of the Company, while BAC contributed $0 of revenue and $(3,088) to loss before income taxes from operations of the Company.

The Company has allocated $(3,618) in the statements of operations and comprehensive loss for the year ended December 31, 2021 to the non-controlling interest.

Analysis of cash flows on acquisition:

	AMTC	BAC	Total
Net cash acquired with the subsidiary (included in cash flows from investing activities)	$ 1,812	$ 2,321	$ 4,133
Net cash flow on acquisition	$ 1,812	$ 2,321	$ 4,133

15. Income Taxes

For tax reporting purposes, the Company consolidates its entities under GLOBALFOUNDRIES Inc., a Cayman Islands entity as described in Note 1. Accordingly, the Company has presented the domestic portion of the disclosures below based on its country of domicile in the Cayman Islands.

As a Cayman Islands corporation, the Company's domestic statutory income tax rate is 0.0%. The difference between the Company's domestic statutory income tax rate and its (provision) benefit for income taxes is due to the effect of the tax rates in the other jurisdictions in which the Company operates. Principally, for the years ended December 31, 2020 and 2021, the Company is subject to United States' federal and state taxes with a combined statutory tax rate of 22.05% and 22.10%, respectively; German corporation and trade taxes with a combined statutory tax rate of 31.58%; and Singapore's statutory tax rate of 17%.

Income tax benefit (expense) consisted of the following:

	December 31, 2019	December 31, 2020	December 31, 2021
Current income tax expense:			
Current income tax benefit (expense)	$ (6,205)	$ (28,713)	$ 1,686
Adjustments in respect of current income tax of previous year	103	98	(872)
Deferred tax			
Net operating and investment allowance carryforwards	(216,582)	34,561	(78,043)
Currency effect on non-monetary assets of subsidiary	8,961	43,155	(36,859)
Other change in temporary differences	(10,338)	(36,834)	35,821
Income tax benefit (expense) reported in the consolidated statements of operations and comprehensive loss	**(224,061)**	**12,267**	**(78,267)**

A reconciliation between tax benefit and accounting profit multiplied by the Company's statutory rate of 0% is as follows:

	December 31, 2019	December 31, 2020	December 31, 2021
Loss before income taxes	$ (1,147,125)	$ (1,363,127)	$ (175,664)
Foreign tax rate differential	10,567	58,505	(74,664)
Adjustments in respect to current income tax of previous years	103	98	(972)
Government grants exempt from tax	20,094	12,950	4,735
Deductible expense for tax purpose	1,944	(8,033)	(1,499)
Impact of unrecognized deferred tax assets	(246,465)	(62,734)	9,481
Non-deductible expenses for tax purposes	569	—	(4,067)
Effects of foreign exchange gains (loss)	(10,347)	40,256	(22,021)
Impact of change in liability for uncertain tax positions	(77)	8,922	6,992
Withholding Tax	—	(33,504)	—
Other effects	(449)	(4,193)	3,748
Income tax benefit (expense)	**$ (224,061)**	**$ 12,267**	**$ (78,267)**
Effective income tax rate	**19.53 %**	**(0.90)%**	**44.55 %**

The Company has determined that it is probable that 100% of deferred tax assets can be realized in Singapore. The Company has determined that realization of deferred taxes associated with loss carryforwards is limited to reserves for uncertain tax positions in the United States that would generate future taxable income, and deferred tax assets resulting from consolidation of AMTC and BAC.

In 2019, a decrease in net deferred tax assets of $189,614 was recorded for the Company's German subsidiary mainly due to a write-down of deferred tax assets on loss carryforwards because the Company has changed how the German operations are compensated from a cost-plus-reimbursement approach to a resale, or buy-sell compensation arrangement. The ability to forecast future profit under the new intercompany pricing approach is less certain compared to prior cost plus concept, which requires an incremental tax expense write-down of German deferred tax assets.

In 2020, Singapore recorded a tax benefit of $63,655 (included under "Foreign tax rate differential" of $58,505) relating to a revaluation of deferred tax liabilities after satisfying investment conditions necessary for an extension of a lower tax rate

incentive during the year. The conditions that were required for the reduced tax rate related to fixed asset investment, increased wafer production, targeted research projects, and increased employment.

In 2020, the Company recorded withholding tax amounting to $33,504, triggered primarily from a legal settlement.

Components of the Company's deferred tax assets and liabilities are attributable as follows:

	December 31, 2020	December 31, 2021
Accelerated depreciation on property, plant and equipment	$ (589,699)	$ (458,482)
Losses, credits and investment allowances available for offsetting against future taxable income	648,141	394,021
Accrued expenses	313,404	348,710
Inventory	67,692	65,084
Other comprehensive income	(2,677)	111
Currency effect	(718)	(8,386)
Deferred income	13,363	9,657
Other	(14,362)	(249)
Net deferred tax assets	**$ 435,144**	**$ 350,466**

The classification of the net deferred tax assets (liabilities) in the statements of financial position is as follows:

	December 31, 2020	December 31, 2021
Deferred tax assets	$ 443,566	$ 352,770
Deferred tax liabilities	(8,422)	(2,304)
Net deferred tax assets	**$ 435,144**	**$ 350,466**

Total unrecognized deferred tax assets as of December 31, 2020 and 2021 was $3,231,522 and $3,355,488, respectively. The Company does not anticipate any significant changes to the total amounts of unrecognized deferred tax assets within the next 12 months of the reporting date.

As of December 31, 2020 and 2021, the Company has accumulated corporate losses in Germany of $1,305,372 and $1,182,005, respectively, and trade tax losses in Germany of $998,114 and $897,586, respectively. Except for a fully deductible base amount, utilization of German net operating loss carryforwards is limited to 60% of taxable income in any one year. German net operating losses do not expire with the passage of time, but may forfeit partially or completely as a result of legal entity restructurings.

As of December 31, 2020 and 2021, the Company has unutilized capital allowances on the property and equipment held in Singapore of $1,609,695 and $1,168,847, respectively, and unutilized tax losses available for carryforward of $58,484 and $58,484, respectively. Under Singapore tax law, unutilized capital allowances and unutilized tax losses are deductible to the extent of income available. Unutilized capital allowances and unutilized tax losses can be carried forward indefinitely subject to compliance with the conditions that there is no substantial change in shareholders and no change in the Company's principal activities, where applicable. As of December 31, 2020 and 2021, the Company has investment allowances of $843,336 and $843,336, respectively in Singapore which can be carried forward indefinitely. These carryforward tax attributes have been fully recognized as deferred tax assets.

As of December 31, 2020 and 2021, the Company has gross operating loss carryforwards in the United States of $8,095,256 and $8,065,586, respectively; $6,532,886 will expire in years 2029 through 2037. As of December 31, 2020 and 2021, the Company has $853,519 and $853,519, respectively of California gross operating loss carryforwards and, in the other states in which it operates, it has gross operating loss carryforwards of $970,016 and $963,307, respectively. The state carryforwards expire beginning in 2023. In addition, the Company has U.S. research and development tax credit carryforwards of $144,282 and $145,683 for the years December 31, 2020 and 2021, respectively, that will expire in years 2030 through 2041. The Company has California research and development tax credits of $14,889 and $15,412 as of December 31, 2020 and 2021, respectively, that do not expire. In addition, the Company has nonrefundable New York Empire Zone credit carryforwards of $1,115,078 and $1,115,078 as of December 31, 2020 and 2021, respectively, that do not expire. Five other states have research and development tax credits, Texas, Minnesota, Vermont, North Carolina, and New Jersey for which the Company has calculated a total credit carryforward of $8,132 and $8,217 for the years December 31, 2020 and 2021, respectively. These credits have a carryforward that expire between 2030 through 2039. These carryforward attributes have not been recognized as deferred tax assets.

At December 31, 2020 and 2021, no deferred tax liabilities were recorded for taxes that would be payable on the undistributed earnings of certain of the Company's subsidiaries as the Company is able to control the timing of the distributions and does not anticipate requiring any distributions for the foreseeable future.

A reconciliation of deferred taxes, net is as follows:

	December 31, 2020	December 31, 2021
Beginning balance	$ 407,459	$ 435,144
Tax expense recognized to consolidated statements of operations	40,882	(79,081)
Tax benefit (expense) recognized to other comprehensive loss	(2,106)	2,788
Tax benefit (expense) recognized from acquisition of subsidiaries	(10,379)	—
Uncertain tax positions and others	(712)	(8,385)
Ending balance	**$ 435,144**	**$ 350,466**

As of December 31, 2020 and 2021, the Company's current tax receivables were $113 and $267, respectively, related to its subsidiaries in Europe.

As of December 31, 2020 and 2021, the Company's current income tax payable of $30,609 and $13,884, respectively, is composed of $2,491, $11,836, $16,282 and $2,001, $2,519, $9,364 for entities incorporated in Europe, the United States/Cayman Islands and Singapore, respectively. The current income tax payable amounts include the following uncertain tax provisions: $9,276 in the United States for December 31, 2020 and $0 for December 31, 2021; $16,175 and $9,159 in Singapore for December 31, 2020 and 2021, respectively, for exposure arising from unutilized capital allowances and domestic related party transactions. Europe had no current income taxable amounts included in uncertain tax provisions for either December 31, 2020 or 2021. The $9,276 United States uncertain tax provision was reclassified against deferred tax assets.

16. Receivables, Prepayments and Other Assets

	December 31, 2020	December 31, 2021
Noncurrent:		
Advances to suppliers[1]	$ —	$ 199,199
Non-trade receivables	11,993	12,914
Payment in Lieu of Tax ("PILOT"') Bonds	20,037	8,045
Prepaid expenses	—	10,658
Other	14,413	22,695
Total	**$ 46,443**	**$ 253,511**
Current:		
Trade receivables, other than related parties[2]	$ 767,257	$ 872,362
Unbilled accounts receivable[3]	62,226	42,953
Other receivables	218,717	238,464
Receivables from related parties (Note 29)	8,734	8,133
	$ 1,056,934	**$ 1,161,912**

(1) Primarily represents advances to supplier to offset against future purchases.

(2) The Company's trade receivables, other than related parties, are all classified as current and are expected to be collected within one year. The Company's provision for sales returns was not material for either for the years ended December 31, 2020 or 2021. See the table below for the aging of the Company's trade receivables, other than related parties.

(3) Unbilled accounts receivable represents amounts recognized on revenue contracts less associated advances and progress billings. These amounts will be billed in accordance with the agreed-upon contractual terms or upon shipment of products or rendering services.

The following table presents the activities in unbilled accounts receivable as of December 31, 2020 and 2021:

	December 31, 2020	December 31, 2021
Beginning balance	$ 956,663	$ 62,226
Revenue recognized during the year	4,548,456	44,148
Cumulative catch-up adjustment to revenue (Note 4)	(315,308)	—
Amounts invoiced	(5,127,585)	(69,421)
Other	—	6,000
Ending balance	**$ 62,226**	**$ 42,953**

	December 31, 2020	December 31, 2021
Receivables neither past due nor impaired	$ 754,308	$ 830,098
Receivables past due—not impaired individually:		
Less than 30 days	12,706	40,927
31 to 60 days	198	528
61 to 90 days	—	22
90 to 120 days	45	787
	$ 767,257	**$ 872,362**

17. Inventories

	December 31, 2020	December 31, 2021
Work in progress	$ 930,107	$ 961,590
Raw materials and supplies	232,407	259,581
Inventory reserve	(242,995)	(99,920)
Total	**$ 919,519**	**$ 1,121,251**

The following table presents the movement in the inventory reserve:

	December 31, 2020	December 31, 2021
Beginning balance	$ 143,193	$ 242,995
Additions[(1)]	228,559	125,727
Written-off and scrapped	(96,972)	(29,243)
Elimination of reserve upon sale of inventory	(31,785)	(239,559)
Ending balance	**$ 242,995**	**$ 99,920**

(1) This includes additional inventory reserve of $26,149 arising from the adjustment to cost of revenue recorded by the Company in 2020 in conjunction with the modification of its customer contracts as discussed in Note 4.

18. Other Financial Assets And Liabilities

The following foreign currency forward contracts are outstanding at December 31, 2020 and 2021 (in thousands, except average foreign currency/US$):

	Fair Value of Derivative Instruments							
Derivative Instruments	**Other Current Financial Assets**	**Other Noncurrent Financial Assets**	**Other Current Financial Liabilities**	**Other Noncurrent Financial Liabilities**	**Notional Amount**	**Average Foreign Currency/ US$**	**Average Strike Price**	**Maturity**
Outstanding as of December 31, 2020:								
Forward contracts:								
Euro forward contracts (receive euros/pay US$)	$ 28,489	$ —	$ (818)	$ —	$ 594,169	0.85	—	2021
Singapore dollar forward contracts (receive Singapore$/pay US$)	13,266	—	(439)	—	360,328	1.37	—	2021
Japanese yen forward contracts (receive Japanese yen/pay US$)	444	—	(61)	—	23,939	104.77	—	2021
Interest rate swaps	—	—	—	(33,287)	1,190,752	—	0.382% - 1.731%	2023 - 2026
Cross currency swaps (receive euros/pay US$)	—	33,169	—	—	566,497	0.89	3.834% - 4.182%	2024 - 2026
Commodity hedge	8,335	885	—	(58)	56,262	235.2	—	2021 - 2022
Total	$ 50,534	$ 34,054	$ (1,318)	$ (33,345)	$ 2,791,947			
Outstanding as of December 31, 2021:								
Forward contracts:								
Euro forward contracts (receive Euros/Pay US$)	$ 4,030	$ —	$ (37,822)	$ —	$ 1,239,770	0.86	—	2022 - 2023
Singapore dollar forward contracts (receive Singapore$/pay US$)	3,359	—	(2,755)	—	858,227	1.35	—	2022
Japanese yen forward contracts (receive Japanese yen/pay US$)	1,700	—	(7,308)	—	300,158	112.77	—	2022 - 2023
Interest rate swaps	—	628	—	(7,803)	992,866	—	0.382% - 1.731%	2023 - 2026
Cross currency swaps (receive euros/pay US$)	—	28	—	(4,181)	550,580	0.89	3.834% - 4.182%	2024 - 2026
Cross currency swaps (receive Singapore $/pay US$)	—	60	—	(4,328)	109,612	1.37	1.830% - 1.941%	2028
Commodity hedge	14,094	1,601	(708)	(664)	96,097	—	—	2022 - 2023
Total	$ 23,183	$ 2,317	$ (48,593)	$ (16,976)	$ 4,147,310			

The following table presents the fair values and locations of these derivative instruments recorded in the consolidated statements of financial position:

	Fair Value of Derivative Instruments			
	Assets Derivatives		Liabilities Derivatives	
	Statement of Financial Position Location	Fair Value	Statement of Financial Position Location	Fair Value
As of December 31, 2020:				
Derivatives designated as hedging instruments				
- foreign currency forward contracts	Other current financial assets	$ 37,602	Other current financial liabilities	$ (375)
- interest rate swaps	Other noncurrent financial assets	—	Other noncurrent financial liabilities	(33,287)
- cross currency swaps	Other noncurrent financial assets	33,169	Other noncurrent financial liabilities	—
- commodity hedge	Other current financial assets	8,335	Other current financial liabilities	—
	Other noncurrent financial assets	885	Other noncurrent financial liabilities	(58)
Derivatives not designated as hedging instruments				
- foreign currency forward contracts	Other current financial assets	4,597	Other current financial liabilities	(943)
Total derivatives		**$ 84,588**		**$ (34,663)**
As of December 31, 2021:				
Derivatives designated as hedging instruments				
- foreign currency forward contracts	Other current financial assets	$ 6,029	Other current financial liabilities	$ (45,695)
- interest rate swaps	Other noncurrent financial assets	628	Other noncurrent financial liabilities	(7,803)
- cross currency swaps	Other noncurrent financial assets	88	Other noncurrent financial liabilities	(8,509)
- commodity hedge	Other current financial assets	14,094	Other current financial liabilities	(708)
	Other noncurrent financial assets	1,601	Other noncurrent financial liabilities	(664)
Derivatives not designated as hedging instruments				
- foreign currency forward contracts	Other current financial assets	3,060	Other current financial liabilities	(2,190)
Total derivatives		**$ 25,500**		**$ (65,569)**

The following table presents the effect of derivatives designated as hedging instruments on the consolidated statements of operations and comprehensive loss (net of tax):

As of December 31, 2021, the estimated amount of loss from cash flow hedges currently retained in consolidated statements of comprehensive loss expected to be reclassified into consolidated statements of operations within the next 12 months is approximately $(39,678).

	Amount of Gains (Losses) Recognized in Accumulated OCI on Derivatives (effective Portion)	Amount of Gains (Losses) Reclassified from Accumulated OCI to cost of Property, Plant and Equipment	Location of Gains (Losses) Reclassified from Accumulated OCI into Income (Effective Portion)	Amounts of Gains (Losses) Reclassified from Accumulated OCI into Income (Effective Portion)	Location of Gains (Losses) Recognized into Income (Ineffective Portion)	Amount of Gain (Losses) Recognized into income (Ineffective Portion)
Year ended December 31, 2020						
Derivatives designated as hedging instruments— Forward currency forward contracts	$ 37,481	$ (470)	Cost of revenue and operating expenses	$ 12,294	Selling, general and administrative expenses	$ 40
Derivatives designated as hedging instruments— Interest rate swaps	$ (36,726)	$ —	Finance expense	$ —	Selling, general and administrative expenses	$ (277)
Derivatives designated as hedging instruments— Cross currency swaps	$ (23,001)	$ —	Cost of revenue and operating expenses	$ —	Selling, general and administrative expenses	$ 564
Derivatives designated as hedging instruments – Commodity hedge	$ 9,162	$ —	Cost of revenue and operating expenses	$ —	Selling, general and administrative expenses	$ —
Year ended December 31, 2021						
Derivatives designated as hedging instruments— Forward currency forward contracts	$ (76,101)	$ (6,447)	Cost of revenue and operating expenses	$ 10,826	Selling, general and administrative expenses	1,066
Derivatives designated as hedging instruments— Interest rate swaps	$ 20,655	$ —	Finance expense	$ (4,703)	Selling, general and administrative expenses	267
Derivatives designated as hedging instruments— Cross currency swaps	$ (2,146)	$ —	Cost of revenue and operating expenses	$ (9,773)	Selling, general and administrative expenses	(1,201)
Derivatives designated as hedging instruments – Commodity hedge	$ 29,352	$ —	Cost of revenue and operating expenses	$ 24,201	Selling, general and administrative expenses	$ 9

The following table presents the effect of derivatives not designated as hedging instruments on the consolidated statements of operations and comprehensive loss:

	Location of Gains (Losses) Recognized in Income on Derivative	Amount of Gains (Losses) Recognized in Income on Derivative
Year ended December 31, 2019		
Derivatives not designed as hedging instruments—foreign currency forwards contracts	Selling, general and administrative expenses	$ (14,240)
Year ended December 31, 2020		
Derivatives not designed as hedging instruments—foreign currency forwards contracts	Selling, general and administrative expenses	$ 6,342
Year ended December 31, 2021		
Derivatives not designed as hedging instruments—foreign currency forwards contracts	Selling, general and administrative expenses	$ (17,169)

19. Cash And Cash Equivalents

	December 31, 2020	December 31, 2021
Cash balances on hand and at banks	$ 347,879	$ 764,185
Investments in money market funds	560,198	2,150,002
Time deposits	—	25,000
Total	**$ 908,077**	**$ 2,939,187**

Movements in cash and cash equivalents are presented in the Company's consolidated statements of cash flows.

The following are the reconciliation of assets and liabilities arising from financing activities:

	As of December 31, 2019 Assets (Liabilities)	Cash Flows (Inflows)/ Outflows	Non-cash changes			As of December 31, 2020 Assets (Liabilities)
			Addition	Foreign exchange movement	Others	
Restricted cash	$ 34,399	$ 1,255	$ —	$ —	$ —	$ 35,654
Government grants receivable[1]	126,140	(177,322)	80,065	720	—	29,603
Other receivables	175,298	(134,511)	448	—	—	41,235
Debt	(2,729,167)	483,072	(13,529)	(64,473)	(13,858)	(2,337,955)
Lease obligations	(519,169)	73,249	(623)	(19,236)	1,267	(464,512)
Loan from shareholder	(11,167,687)	487,000	—	—	—	(10,680,687)
Share capital	(10,000)	—	—	—	—	(10,000)
Additional Paid-In Capital	(11,706,535)	—	(980)	—	—	(11,707,515)
Total	**$ (25,796,721)**	**$ 732,743**	**$ 65,381**	**$ (82,989)**	**$ (12,591)**	**$ (25,094,177)**

	As of December 31, 2020 Assets (Liabilities)	Cash Flows (Inflows)/ Outflows	Non-cash changes			As of December 31, 2021 Assets (Liabilities)
			Addition	Foreign exchange movement	Others	
Restricted cash	$ 35,654	$ (34,499)	$ —	$ —	$ —	$ 1,155
Government grants receivable[2]	29,603	(40,600)	60,176	(2,317)	—	46,862
Other receivables	41,235	(42,232)	899	—	98	—
Debt	(2,337,955)	265,127	(5)	50,714	9,020	(2,013,099)
Lease obligations	(464,512)	78,260	(52,472)	11,936	1,270	(425,518)
Loan from shareholder	(10,680,687)	568,000	—	—	10,112,687	—
Share capital	(10,000)	(637)	—	—	—	(10,637)
Additional Paid-In Capital[3]	(11,707,515)	(1,443,859)	(10,112,687)	—	(223,402)	(23,487,463)
Total	**$ (25,094,177)**	**$ (650,440)**	**$ (10,104,089)**	**$ 60,333**	**$ 9,899,673**	**$ (25,888,700)**

(1) Government grant receivable and the current portion of the employee incentive credits amounting to $29,603 and $22,057 (See Note 16), respectively, are reflected in the Receivables from government grants in the consolidated statements of financial position amounting to $51,660, as of December 31, 2020.

(2) Government grant receivable amounting to $46,862 is reflected in the Receivables from government grants and noncurrent receivables, prepayments and other assets in the consolidated statements of financial position amounting to $45,806 and $1,056 respectively, as of December 31, 2021.

(3) On October 1, 2021, the Company's board approved the conversion of the Shareholder Loans (defined below) to additional paid-in-capital, and on October 3, 2021, the Company executed an agreement with Mubadala Investment Company PJSC ("Mubadala") to convert the remaining $10,112,687 of the Shareholder Loan balance into additional paid-in-capital ("the Conversion"). The Conversion did not have an impact on shares outstanding or have any dilutive effects, as no additional shares were issued.

Geographical concentration of cash and cash equivalents is as follows:

	December 31, 2020	December 31, 2021
United States of America	$ 632,707	$ 1,357,062
Republic of Singapore	207,031	1,484,972
Other	68,339	97,153
Total	**$ 908,077**	**$ 2,939,187**

20. Issued Capital and Reserves

Share Capital—On January 20, 2019, the Company accepted the surrender of 76,902,150 shares for no consideration from MIC. The Company cancelled the shares and transferred $1,538 from common shares to additional paid-in capital.

On September 12, 2021, The Company effected a 1-for-2 reverse share split, which was approved by our board of directors on September 9, 2021.

On October 27, 2021, the Company completed an initial public offering, issuing 30,250,000 ordinary shares, as well as 1,595,744 ordinary shares in a concurrent private placement agreement.

As of December 31, 2021, there were 1,300,000 thousand ordinary shares and 200,000 thousand shares preferred shares with a par value of $0.02 authorized, and 531,846 thousand ordinary shares issued and outstanding.

Additional Paid-In Capital—Additional paid-in capital represents the excess of assets less liabilities contributed to GLOBALFOUNDRIES by shareholders over the share capital issued in exchange for those contributions and share-based compensation charges for share-based payments.

Reserves

All other reserves as stated in the consolidated statements of changes in equity:

Hedging Reserve—The cash flow hedge reserve contains the effective portion of the cash flow hedge relationships incurred as at the reporting date.

Foreign Currency Translation Reserve—The foreign currency translation reserve is used to record exchange differences arising from the translation of AMTC and BAC's financial statements for consolidation purpose.

21. Long-Term Debt

	December 31, 2020	December 31, 2021
Noncurrent:		
Term loans	$ 1,956,148	$ 1,715,833
Current:		
Term loans	381,807	297,266
Total	**$ 2,337,955**	**$ 2,013,099**

The above balances are net of $19,106 and $17,710 of unamortized debt issuance costs for the years ended December 31, 2020 and 2021, respectively.

Movements in interest bearing borrowings during the reporting period were as follows:

	December 31, 2020	December 31, 2021
Opening balance	$ 2,729,167	$ 2,337,955
New loans and borrowings	2,816,871	618,414
Repayments	(3,283,861)	(882,191)
Other	75,778	(61,079)
Ending balance	**$ 2,337,955**	**$ 2,013,099**

Terms and Debt Repayment Schedule

The following table summarizes term loan facilities. The below arrangements are all considered to be secured with the exception of the Mubadala Treasury Holding Company Loan Facility, which is unsecured.

Description	Currency	Nominal Interest Rate	Interest Payment Terms	Principal Payment Terms	Year of Maturity	2020 Carrying Amount	2021 Carrying Amount
PILOT Bonds[1]	USD	Variable Rate Note[1]	Monthly	Annually	2021	10,457	—
Accounts Receivable Factoring	USD	LIBOR + 0.60% - 0.90%	Monthly	Monthly	2022	86,944	16,345
2018 Tool Equipment Purchase and Lease Financing[2]	USD	LIBOR + 1.60%	Quarterly	Quarterly	2023	74,250	74,668
2019 Tool Equipment Purchase and Lease Financing[3]	USD	LIBOR + 1.75%	Quarterly	Quarterly	2024	83,812	84,251
2019 USD Dresden Equipment Financing[4]	USD	LIBOR + 1.75%	Semi-Annual	Semi-Annual	2024	35,473	35,628
2018 IKB Term Loan	EUR	EURIBOR + 2.50%	Semi-annual	Semi-annual	2024	12,240	11,283
2020 USD Equipment Financing[5]	USD	LIBOR + 1.90%	Quarterly	Quarterly	2025	58,539	58,893
2019 EUR Dresden Equipment Financing[4]	EUR	EURIBOR + 1.75%	Semi-Annual	Semi-Annual	2026	15,366	14,096
TPI Loan	EUR	2.60%	Quarterly	Monthly	2026	2,687	1,962
i. Park East Fishkill[6]	USD	0.30%	Monthly	Monthly	2027	2,039	140
Current total						**381,807**	**297,266**
Noncurrent:							
2018 Tool Equipment Purchase and Lease Financing[2]	USD	LIBOR + 1.60%	Quarterly	Quarterly	2023	93,401	18,733
2019 Tool Equipment Purchase and Lease Financing[3]	USD	LIBOR + 1.75%	Quarterly	Quarterly	2024	190,186	105,935
2019 USD Dresden Equipment Financing[4]	USD	LIBOR + 1.75%	Semi-Annual	Semi-Annual	2024	179,779	144,151
2018 IKB Term Loan	EUR	EURIBOR + 2.50%	Semi-annual	Semi-annual	2024	36,815	22,613
2020 USD Equipment Financing[5]	USD	LIBOR + 1.90%	Quarterly	Quarterly	2025	211,382	152,493
USD Term Loan A	USD	LIBOR + 2.90%	Quarterly	Semi-Annual	2025	646,005	647,287
EUR Term Loan A	EUR	EURIBOR + 2.60%	Quarterly	Semi-Annual	2025	101,380	93,529
2019 EUR Dresden Equipment Financing[4]	EUR	EURIBOR + 1.75%	Semi-Annual	Semi-Annual	2026	474,522	422,908
TPI Loan	EUR	2.60%	At Maturity	At Maturity	2026	11,053	8,238
i. Park East Fishkill[6]	USD	0.30%	Monthly	Monthly	2027	11,625	9,619
2021 SGD EDB Loan	SGD	1.40%	Semi-annual	Semi-annual	2041	—	90,327
Noncurrent total						**1,956,148**	**1,715,833**
Total						**$ 2,337,955**	**$ 2,013,099**

(1) The interest rate for the PILOT bonds is reset on a weekly basis by the bank based on prevailing market conditions, not to exceed 12% per annum. The weighted average interest rates were 0.91% and 0.14% for 2020 and 2021, respectively.

(2) On March 2, 2018, GLOBALFOUNDRIES SINGAPORE PTE, LTD. (“GFS”) entered into several Equipment Purchase and Lease Agreements with 4 banks to sell and leaseback certain semiconductor manufacturing equipment located in GFS’ Fabs in Singapore for a total of $375,000. The total minimum lease payments amount to $375,000, to be paid in equal quarterly installments through March 1, 2023.

(3) On January 21, 2019, GFS entered into several Equipment Purchase Agreements and Lease Agreements with five banks to sell and leaseback certain semiconductor manufacturing equipment located in GFS' Fabs in Singapore for a total of $425,000.

(4) On October 31, 2019, the Company, GLOBALFOUNDRIES Dresden Module One Limited Liability Company & Co., KG. and GLOBALFOUNDRIES Dresden Module Two Limited Liability Company & Co. KG. entered into a term facilities agreement with Bank of America Merrill Lynch International Designated Activity Company and ING Bank, a branch of ING-DIBA AG, as coordinating mandated lead arrangers, and Bank of America Merrill Lynch International Designated Activity Company as facility and security agent, which provides a maximum incremental facility commitment totaling $750,000 secured by certain qualifying equipment assets.

(5) On April 23, 2020, GLOBALFOUNDRIES SINGAPORE PTE, LTD. entered into several Equipment Purchase Agreements and Lease Agreements with four banks to sell and leaseback certain semiconductor manufacturing equipment located in GFS' fabrication facilities in Singapore for a total of $300,000.

(6) On September 1, 2017, the Company completed a sale and partial leaseback transaction of a portion of its facilities in East Fishkill, New York to i. Park East Fishkill LLC and ii. Park East Fishkill I LLC. Due to the Company's ongoing involvement with the properties sold and leased back, the transaction has been accounted for as financing. The total transaction amounted to $22,950, which consists of $17,150 cash and buyer's assumption of certain liabilities of $5,800.

Accounts Receivable Factoring—On February 17, 2021, the Company entered into agreements to amend and restate the terms of the original Accounts Receivable Factoring arrangements to factor certain of its accounts receivable up to a maximum outstanding amount of $91,700. The Company agreed to pay financing costs of LIBOR plus 0.90%.

2021 SGD EDB Loan—On September 3, 2021, the Company entered into a loan agreement with Singapore Economic Development Board (EDB), which provided loan facilities with maximum drawdown of $1,148,500 (SGD1,541,000) at a fixed nominal interest rate of 1.4%. The difference between the nominal interest rate of the loan and the market interest rate for an equivalent loan is recognized as a government grant. The loan matures on June 1, 2041, with interest-only payments for the first 5 years and principal repayments commence thereafter, payable on a semi-annual basis.

As of December 31, 2021 $110,769 was drawn down of which $90,327 was recorded in long-term debt based on an effective interest rate of 3.2% and $19,821 was recorded in deferred income from government grants.

Five-year Revolving and Letter of Credit Facilities Agreement—On October 13, 2021, the Company entered into an amendment to the Five-year Revolving and Letter of Credit Facilities Agreement to increase the commitment to $1,000,000.

Mubadala Development Corporation Revolving Credit Facility—On November 11, 2021, the Company terminated the undrawn $400 million revolving credit agreement with Mubadala Treasury Holding Company LLC ("MTHC").

The following table summarizes unutilized credit facilities available to the Company to maintain liquidity to fund operations:

		December 31, 2020	December 31, 2021
SGD EDB Loan	Committed	$ —	$ 1,028,602
Citibank Revolving Credit Facility	Committed	403,271	1,009,505
Societe Generale Singapore Factoring	Committed	34,756	75,355
Societe Generale Singapore Revolving Credit Facility	Uncommitted*	23,958	27,150
Deutsche Bank	Uncommitted*	3,122	3,163
Citibank—USD	Uncommitted*	780	806
JPMorgan Chase PILOT Letter of Credit	Committed	12,211	—
Mubadala Development Corporation Revolving Credit Facility	Committed	400,000	—
Total		**$ 878,098**	**$ 2,144,581**

*Uncommitted facility is a facility is a credit facility made available to the Company but the lender is not obligated to loan funds.

***Assets pledged as security*—**Various assets have been pledged to secure borrowings under mortgages for the Company. Cash and cash equivalents, trade accounts receivables, property, plant and equipment, inventories, and financial assets have been pledged to secure borrowings under mortgages for the Company. The Company is not allowed to pledge these assets as security for other borrowings or to sell them outside normal course of business.

22. Leases

The Company has various lease agreements for certain of its offices, facilities, and equipment. Leases may include one or more options to renew. Renewals are not in the determination of the lease term unless the renewals are deemed to be reasonably certain at lease commencement. The Company's lease agreements do not contain any material residual value guarantees or material restrictive covenants. All leases were measured under a single criterion with the exception of those with terms not exceeding 12 months and low-value leases.

	December 31, 2020	December 31, 2021
Amortization of right-of-use assets	$ 56,964	$ 80,689
Interest expense on lease liabilities	34,807	26,859
Short-term and low-value leases expense	1,409	1,195
Total net lease cost	**$ 93,180**	**$ 108,743**
Weighted average remaining lease term	7.35 years	6.51 years
Weighted average discount rate	7.99 %	6.65 %

The following is a schedule, by years, of maturities of lease liabilities as of December 31, 2020 and 2021:

	December 31, 2020		December 31, 2021	
	Minimum Lease Payments	Present Value of Payments	Minimum Lease Payments	Present Value of Payments
Within 1 year	$ 165,621	$ 131,270	$ 156,784	$ 134,971
2-5 years	256,597	185,261	231,819	190,801
After 5 years	175,778	147,981	123,298	99,746
	597,996	464,512	511,901	425,518
Less: amounts representing				
finance charges	(133,484)	—	$ (86,383)	—
Present value of minimum lease payments	$ 464,512	$ 464,512	$ 425,518	$ 425,518
Noncurrent		$ 333,242		$ 290,547
Current		131,270		134,971
		$ 464,512		**$ 425,518**

Supplemental cash flow information related to leases is as follows:

	December 31, 2020	December 31, 2021
Cash flows used in operating activities:		
Payments of short-term and low-value leases	$ (1,409)	(1,195)
Interest paid	(34,807)	(26,859)
Cash flows used in financing activities:		
Payment of lease obligations	(73,249)	(78,260)

The following table summarizes the movement of right-of-use assets which primarily relates to building and leasehold improvements during the years ended December 31, 2020 and 2021 is as follows:

	December 31, 2020	December 31, 2021
Beginning balance	$ 348,163	$ 292,193
Additions	994	93,773
Amortization	(56,964)	(80,689)
Ending balance	**$ 292,193**	**$ 305,277**

23. Provisions

The movement in provision for asset retirement obligations during the years ended December 31, 2020 and 2021 is as follows:

	December 31, 2020	December 31, 2021
Beginning balance	$ 337,765	$ 353,308
Arising during the period	14,888	431
Accretion cost	655	(2,160)
Utilized	—	(3,097)
Ending balance	**$ 353,308**	**$ 348,482**

The Company records a provision for site restoration costs as required by legal and contractual obligations if assessed to be probable that it will incur such costs. Because of the long-term nature of the liability, the greatest uncertainty in estimating the provision is the costs that will be incurred. The Company has estimated costs based on currently available information provided by experts about the extent of restoration work required.

The provision has been calculated using a discount rate of -1.59% to 1.95% (2020: -1.61% to 0.77%), which is the risk-free rate in the jurisdiction of the liability. The site restoration costs are expected to be incurred on site abandonment for its owned property and on lease expiration for its leasehold land. The expected timing of incurring site restoration costs is consistent with the remaining useful lives of the underlying property, plant and equipment.

24. Government Grants

The following table presents the movement in deferred income from government grants for the years ended December 31, 2020 and 2021:

	December 31, 2020	December 31, 2021
Beginning balance	$ 194,209	$ 169,202
Received/receivable during the period	19,854	40,461
Acquisition of subsidiaries	6,182	—
Released to the consolidated statements of operations and comprehensive loss	(51,043)	(33,366)
Ending balance	**$ 169,202**	**$ 176,297**
Noncurrent	128,697	147,371
Current	40,505	28,926
	$ 169,202	**$ 176,297**

Government grants were recognized in the consolidated statements of operations and comprehensive loss as follows:

	December 31, 2019	December 31, 2020	December 31, 2021
Cost of revenue	$ 155,451	$ 49,025	$ 33,031
Research and development expenses	1,342	2,018	335
Selling, general and administrative	—	—	—
Total balance	**$ 156,793**	**$ 51,043**	**$ 33,366**

The Company has received government support in the form of investment grants, research and development subsidies, refundable credits and miscellaneous receipts for employee support. Amount receivable from government but not yet received has been included in receivables from government grants. Certain investment grants are subject to forfeiture in declining amounts over the life of the agreement if the Company does not maintain agreed upon conditions specified in the relevant subsidy agreements. The Company continues to comply with the government grant conditions mainly relating to qualifying property, plant and equipment and employment levels.

25. Trade Payables and Other Liabilities

	December 31, 2020	December 31, 2021
Noncurrent:		
Advances and deposits	$ 206,766	$ 11,116
Payable for Intangible Assets	109,451	44,667
Contract liabilities[1]	30,258	1,368,328
Deferred tax liabilities	8,422	2,304
Other[2]	57,769	18,909
	$ 412,666	**$ 1,445,324**
Current:		
Trade payables	$ 414,547	$ 551,138
Accrued expenses	470,800	602,495
Contract liabilities[1]	104,466	532,985
Advances and deposits[3]	68,026	309,129
Payable for PPE and Intangible Assets	235,789	472,144
Other[2]	48,860	117,859
	$ 1,342,488	**$ 2,585,750**

(1) Contract liabilities comprises contract liabilities for payments received in advance of the satisfaction of performance obligations for wafers, as well as non-recurring engineering services. In 2021, the Company entered into multiple long-term supply agreements with customers. Many of these contracts include customer advanced payments and capacity reservation fees in order to secure future supply.
(2) Other includes other financial liabilities. See Note 18 for further details on other financial liabilities.
(3) Advances and deposits include advances from customers of $117,882 (2020: $34,713) collected for purchase orders.

	December 31, 2020	December 31, 2021
Beginning contract liabilities balance	$ 144,562	$ 134,724
Cash receipts in advance of satisfaction of performance obligations	123,573	1,894,049
Released to the consolidated statements of operations and comprehensive loss[1]	(133,411)	(127,460)
Ending contract liabilities balance	$ 134,724	$ 1,901,313
Noncurrent	$ 30,258	$ 1,368,328
Current	104,466	532,985
	$ 134,724	$ 1,901,313

(1) Of revenue released to the consolidated statements of operations and comprehensive loss for the years ended December 31, 2020 and 2021, $73,435 and $48,363, respectively were included in the beginning balance of the contract liabilities.

26. Employee Benefits Plans

Retirement Savings Plans—The Company has a retirement savings plan, commonly known as a 401(k) plan, that allows participating employees in the United States to contribute a portion of their pre-tax salary up to Internal Revenue Service limits. The Company matches employee contributions dollar for dollar for the first 3% of participants' contributions and 50 cents on each dollar of additional 3% of participants' contributions, to a maximum of 4.5% of eligible compensation. The Company's contributions to the 401(k) plan were $33,809, $31,986 and $31,055 for the years ended December 31, 2019, 2020 and 2021, respectively.

The Company also has an employee benefits plan that requires the Company to make monthly contributions based on the statutory funding requirement into a Central Provident Fund ("CPF") for substantially all Singapore citizens and permanent residents. The Company's contributions under this plan were $34,434, $22,023 and $29,295 for the years ended December 31, 2019, 2020 and 2021, respectively.

27. Commitments and Contingencies

Commitments—The Company's unconditional purchase commitments are as follows:

	December 31, 2020	December 31, 2021
Contracts for capital expenditures	$ 952,604	$ 2,994,554
Contracts for operating expenditures	1,044,560	3,404,865
	$ 1,997,164	**$ 6,399,419**
Due within the next 12 months	**$ 1,316,090**	**$ 3,542,823**

In addition to the above, the Company obtained letters of credit to primarily guarantee the PILOT bonds' interest payments, payments for utility supplies and foreign statutory payroll related charges. The Company has obtained letters of credit of $36,211 and $20,000 at December 31, 2020 and 2021, respectively, and bank guarantees of $3,098 and $3,239 at December 31, 2020 and 2021, respectively.

Leases of low-value items and short-term leases that do not meet the capitalization criteria under the Company's lease policy are treated as operating expenses. The following summarizes the Company's non-cancellable operating lease arrangements which were not capitalized and the minimum future rental payments under these arrangements:

	December 31, 2020	December 31, 2021
Within one year	$ 1,409	$ 1,195
After one year but not more than five years	1,557	548
	$ 2,966	**$ 1,743**

The Company has a patent license agreement with LSI Technology Corporation ("LSI") under which the parties grant to one another a license to use certain of each other's patents. Under the terms of the patent license agreement, the Company may provide wafer capacity in lieu of payment for royalties. Such royalties under the patent license agreement are waived until such time the interest of LSI in SMP falls below 49%. In exchange, the Company has waived capacity shortfall obligations from LSI. Should the interest of LSI in SMP fall below 49%, the Company may be required to make royalty payments to LSI under this patent license agreement. The Company has not made any royalty payments to LSI. The patent license agreement continues for as long as the joint venture agreement between the parties remains.

In 2017, we entered into a set of agreements with a joint venture partner related to the establishment of a joint venture in China to establish and operate a greenfield wafer production site. The parties contemplated that the manufacturing operations would be implemented in two phases. Due to a variety of factors, including unanticipated market conditions, the manufacturing operations did not proceed as planned and the parties have been working to wind-down operations of the joint venture. On April 26, 2021, we received a letter from our joint venture partner requesting that we share in its alleged losses and related costs incurred to support the joint venture. We recorded a provision of $34,000 in June 2021. We engaged in negotiations with our joint venture partner to settle the claim and on November 15, 2021 we resolved the claims consistent with the recorded provision.

On April 28, 2021, International Business Machines ("IBM") sent the Company a letter alleging for the first time that the Company did not fulfill the Company's obligations under the contracts the Company entered into with IBM in 2014 associated with the Company's acquisition of IBM's Microelectronics business. IBM asserted that the Company engaged in fraudulent misrepresentations during the underlying negotiations, and claimed the Company owed them $2,500,000 in damages and restitution. On June 7, 2021, the Company filed a complaint with the New York State Supreme Court (the "Court") seeking a declaratory judgment that the Company did not breach the relevant contracts. IBM subsequently filed its complaint with the Court on June 8, 2021. On September 14, 2021, the Court granted our motion to dismiss IBM's claims of fraud, unjust enrichment and breach of the implied covenant of good faith and fair dealing. Our complaint seeking declaratory judgment was dismissed. The case will proceed based on IBM's breach of contract and promissory estoppel claims. The Company believes, based on discussions with legal counsel, that we have meritorious defenses against IBM's claims. The Company disputes IBM's claims and intend to vigorously defend against them.

28. Earnings Per Share

Basic and diluted loss per share have been calculated for the years ended December 31, 2019, 2020, and 2021 as follows:

	2019	2020	2021
	(in thousands, except for share amounts)		
Net loss available to equity shareholder of the Company	$ (1,371,186)	$ (1,347,571)	$ (250,313)
Weighted average common shares outstanding	504,003,126	500,000,000	505,758,409
Total basic and diluted earnings per share attributable to equity shareholders	**$ (2.72)**	**$ (2.70)**	**$ (0.49)**

For the years ended December 31, 2019, 2020 and 2021, there were 32,560,289, 22,286,278 and 21,749,558 share options outstanding, respectively, which were not included in the calculation of diluted earnings per share as their inclusion would have been anti-dilutive.

29. Related Party Disclosures

The consolidated financial statements include the following subsidiaries which are all wholly owned, except for GLOBALFOUNDRIES (Chengdu) Integrated Circuit Manufacturing Co., Limited, Advanced Mask Technology Centre GmbH & Co. KG, Maskhouse Building Administration GmbH & Co. KH, Advanced Mask Technology Center Verwaltungs GmbH, and Maskhouse Building Administration Verwaltungs GmbH:

Subsidiary	Jurisdiction of Incorporation or Organization	December 31, 2019	December 31, 2020	December 31, 2021
GLOBALFOUNDRIES Dresden Module One LLC	United States	X	X	X
GLOBALFOUNDRIES Dresden Module Two LLC	United States	X	X	X
GLOBALFOUNDRIES Innovation Investments LLC	United States	X	X	X
GLOBALFOUNDRIES Investments LLC	United States	X	X	X
GLOBALFOUNDRIES U.S. Inc.	United States	X	X	X
GLOBALFOUNDRIES U.S. 2 LLC	United States	X	X	X
GLOBALFOUNDRIES Borrower LLC	United States	X	X	X
Hudson Valley Research Park Sewage Works Corporation	United States	X	X	X
GLOBALFOUNDRIES Dresden Module One Holding GmbH	Germany	X	X	X
GLOBALFOUNDRIES Dresden Module One LLC & Co. KG	Germany	X	X	X
GLOBALFOUNDRIES Dresden Module Two LLC & Co. KG	Germany	X	X	X
GLOBALFOUNDRIES Dresden Module Two Holding GmbH	Germany	X	X	X
GLOBALFOUNDRIES Management Services LLC & Co. KG	Germany	X	X	X
Advanced Mask Technology Centre GmbH & Co. KG (50%)	Germany	N/A	X	X
Maskhouse Building Administration GmbH & Co. KH (50%)	Germany	N/A	X	X
Advanced Mask Technology Center Verwaltungs GmbH (50%)	Germany	N/A	X	X
Maskhouse Building Administration Verwaltungs GmbH (50%)	Germany	N/A	X	X
GLOBALFOUNDRIES Europe Sales & Support GmbH	Germany	N/A	X	X
GLOBALFOUNDRIES Engineering Private Limited	India	X	X	X
GLOBALFOUNDRIES Japan Ltd.	Japan	X	X	X
GLOBALFOUNDRIES Netherlands Cooperatief U.A.	The Netherlands	X	X	X
GLOBALFOUNDRIES Netherlands Holding B.V.	The Netherlands	X	X	X
GLOBALFOUNDRIES Netherlands B.V.	The Netherlands	X	X	N/A
GLOBALFOUNDRIES Bulgaria EAD	Bulgaria	X	X	X
GF Asia Investments Pte. Ltd.	Singapore	X	X	X
GF Asia Sales Pte. Ltd.	Singapore	N/A	N/A	X
GLOBALFOUNDRIES Singapore Pte. Ltd.	Singapore	X	X	X
GLOBALFOUNDRIES Taiwan Ltd.	Taiwan	X	X	X
GLOBALFOUNDRIES Europe Ltd.	United Kingdom	X	X	X
GLOBALFOUNDRIES (Chengdu) Integrated Circuit Manufacturing Co., Limited (51%)	China	X	X	X
GLOBALFOUNDRIES China (Beijing) Co., Limited	China	X	X	X
GLOBALFOUNDRIES China (Shanghai) Co., Limited	China	X	X	X
Nanjing APD Technologies Co. Ltd.	China	X	X	X

Related parties represent associated companies, the shareholder, directors and key management personnel of the Company and entities controlled, or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the audit, risk and compliance committee or the Company's management, as applicable.

Below are the related parties which the Company has entered into transactions with:

	December 31, 2020	December 31, 2021
Related Party Name		
SMP	Joint venture	Joint venture
Mubadala Treasury Holding Company ("MTHC")	Shareholder entity	Shareholder entity
Mubadala Technology Investments LLC ("Mubadala Technology")	Shareholder entity	Shareholder entity

Related parties represent associated companies, the shareholder, directors and key management personnel of the Company and entities controlled, or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Company's management.

Balances with related parties included in the consolidated statements of financial positions are as follows:

	December 31, 2020		December 31, 2021	
	Due from Related Parties	Due to Related Parties	Due from Related Parties	Due to Related Parties
SMP	$ 8,734	10,480	$ 8,133	$ 9,025
Mubadala Technology	—	313	—	96
Total[(1)]	**$ 8,734**	**10,793**	**$ 8,133**	**9,121**

(1) The total amounts of $8,734 and $8,133 due from related parties as of the years ended December 31, 2020 and 2021, respectively, has been included in receivables, prepayments and other assets (see Note 16). The total amounts of $10,793 and $9,121 due to related parties' balance for the years ended December 2020 and 2021, respectively, has been included in trade and other payables (see Note 25).

The following table presents the related party transactions included in the consolidated statements of operations and comprehensive loss:

	December 31, 2019	December 31, 2020	December 31, 2021
Purchases and recharges from:			
SMP[(1)]	$ 61,950	$ 57,579	$ 59,596
AMTC	124,196	—	—
	$ 186,146	**$ 57,579**	**$ 59,596**
Other transactions with:			
SMP (reimbursement of expenses and contribution of tools)	$ 51,251	$ 47,065	$ 44,808
AMTC	27,527	—	—
Mubadala Technology (reimbursement of expenses)	496	618	2,602
BAC	263	—	—
	$ 79,537	**$ 47,683**	**$ 47,410**

(1) Purchases from SMP were primarily comprised of wafers.

Terms and Conditions of Transactions with Related Parties

Outstanding balances at the year-end are unsecured, interest free, repayable on demand and settlement occurs in cash. The Company has not recorded any allowance of receivables relating to amounts owed by related parties for the years ended December 31, 2020 and 2021. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Transactions with Shareholder:

Shareholder Loan Agreement—The Company, as a borrower, entered into loan facilities with its shareholder in 2012 to 2016 (collectively the "Shareholder Loans"). The Shareholder Loans are non-interest bearing and principal repayment, in whole or in part, is entirely at the Company's discretion as explicitly stated in the loan agreement. The Shareholder Loans are subordinated to any claims of other unsubordinated and subordinated creditors, including beneficiaries under guarantees issued, of the Company. The loans have no maturity date and remain outstanding until the loans are paid in full. Further, there are no contingent settlements in the agreements. Since the Shareholder Loans do not contain any contractual obligations to deliver cash, but rather allows the Company to make repayment at its absolute discretion and further prohibits the shareholder from demanding repayment, the Company treated the Shareholder Loans as equity.

The Company repaid $487,000 and $568,000 during the years ended December 31, 2020 and 2021, respectively.

On October 1, 2021, the Company's board approved the conversion of the Shareholder Loans to additional paid-in-capital, and on October 3, 2021, the Company executed an agreement with Mubadala Investment Company PJSC ("Mubadala") to convert the remaining $10,112,687 of the Shareholder Loan balance into additional paid-in-capital ("the Conversion"). The Conversion did not have an impact on shares outstanding or have any dilutive effects, as no additional shares were issued.

Compensation of Key Management Personnel

The compensation of key management personnel during the following years were as follows:

	2020	2021
Chief Executive Officer and Chief Financial Officer		
Short-term benefits	$ 11,260	$ 8,316
Share-based payments[(1)]	—	42,034
Board of Directors	800	2,887
	$ 12,060	**$ 53,237**

(1) 2021 amount represents the share-based payment expense for all vested options that were issued prior to 2021. The Company started recognizing share-based payment expense in the second quarter of 2021 when an IPO became probable. See Note 30 for more information on share-based payment expense recognition.

30. Share-Based Payments

RSUs

In 2021, the Company granted restricted share units ("RSUs") under the 2018 Share Incentive Plan. The RSUs have a time-based vesting requirement, which provides that the RSUs will generally vest in four annual installments, with 25% vesting on each one-year anniversary of the vesting commencement date subject to the employee's continued employment with the Company. In addition, the RSUs have a liquidity event vesting requirement which is satisfied on the earlier of the six-month anniversary of a qualified IPO, or a change in control event (the "Liquidity Trigger"). Both of the liquidity event vesting requirements are subject to the participant's continued employment with the Company. RSUs will continue to vest under the time-based vesting requirement if a Liquidity Trigger occurs prior to the time-based vesting requirement having been satisfied.

	Number of RSUs	Weighted average grant date fair value
Outstanding as of December 31, 2020	—	$ —
Granted	851,530	$ 39.56
Forfeited	(4,100)	$ 34.46
Outstanding as of December 31, 2021	**847,430**	**$ 39.59**

Prior to the IPO, the value of the RSUs was determined by the Company's Board of Directors. Because there had been no public market for the ordinary shares, the Board of Directors determined the fair value at the time of grant of the RSU by contemporaneous valuations performed by unrelated third-party valuation firms as well as a number of objective

and subjective factors including valuation of comparable companies, operating and financial performance, the lack of liquidity of capital stock and general and industry specific economic outlook, among other factors.

As of December 31, 2019, 2020 and 2021, there was $0, $0, and $25,704, respectively, of total unrecognized compensation cost related to outstanding RSUs.

Share Options

In 2017, the Company approved the Share Incentive Plan, which is intended to attract and retain talented employees and align shareholder and employee interests. Share options under the Share Incentive Plan will be deemed vested shares over a five-year period.

In 2019, the Company offered to exchange the share options under the Share Incentive Plan with new share options under the "2018 Share Incentive Plan," under which the Company may grant up to 25 million options to purchase shares in the Company with an exercise price of $10.00 per share. The options vest based on service over four or five years, depending on the timing of the grant, and contingent upon a liquidity event (change in control or IPO) with the earliest vesting date on the one-year anniversary of a liquidity event. On April 19, 2019, the Company issued the share options subject to the tender offer. The exchange of 2017 plan options into 2018 plan options resulted in a total incremental fair value of $63,974, of which $39,180 was recognized in the second quarter of 2021 when an IPO became probable. The remainder was attributed prospectively. In the fourth quarter of 2021, the Company modified the earliest vesting date from one year post-anniversary of a liquidity event to six-months post-anniversary of a liquidity event, and shortened the contractual term for options held by US taxpayers to be the calendar year end after or within the year of vest. The options that remain outstanding at expiration will be auto-exercised through the broker.

The share options are effective for a term of ten years from the grant date. Because the vesting and exercisability of these share options are dependent on a qualified liquidity event, the Company had to assess the probability of such an event in order to determine the expenses related to the share-based payments for the period. On June 30, 2021, the Company deemed an IPO to be probable under IFRS.

Upon the tender offer, the Company measured the pre-modification value of the old share options and compared that to the fair value of the new share options using the Black-Scholes option pricing model. The equity volatility was determined based on the historical volatilities of comparable publicly traded companies over a period equal to the expected average share-based payments life. The risk-free rate of interest was interpolated from the U.S. Constant Maturity Treasury rate curve to reflect the remaining expected life of share options. The fair value of the ordinary shares underlying the stock options has historically been determined by the Company's Board of Directors. Because there had been no public market for the ordinary shares, the Board of Directors determined the fair value of the ordinary shares at the time of grant of the option by contemporaneous valuations performed by unrelated third-party valuation firms as well as a number of objective and subjective factors including valuation of comparable companies, operating and financial performance, the lack of liquidity of capital stock and general and industry specific economic outlook, among other factors.

The assumptions used to value the Company's options granted during the period presented and their expected lives were as follows:

	December 31,		
	2019	**2020**	**2021**
Expected dividend yield	0.00 %	0.00 %	0.00 %
Expected volatility	40.90 %	43.50 %	45.0 %
Expected term	6.0 years	5.5 years	4.5 years
Risk-free interest rate	1.59%—2.41%	0.32%—1.46%	0.56 %
Estimated ordinary shares valuation	$18.52—$20.48	$20.48—$24.62	$24.64—$26.04

As of December 31, 2020 and 2021, the additional paid-in capital related to the share options amounted to $34,572, and $0, respectively. The share-based payment expenses amounted to $0, $980, and $223,402 for the years ended December 31, 2019, 2020 and 2021, respectively. The Company incurred $4,672 of payroll taxes associated with the share-based compensation expense for the year ended December 31, 2021.

	Number of Share options		Weighted average exercise price per Share
Balance as of December 31, 2018	34,305,235	$	21.54
Exchanged	(18,837,010)	$	21.54
Granted	19,954,794	$	10.00
Forfeited	(2,862,730)	$	17.69
Outstanding as of December 31, 2019	32,560,289	$	14.80
Granted	5,078,456	$	10.00
Forfeited	(15,352,467)	$	20.14
Outstanding as of December 31, 2020	22,286,278	$	10.04
Granted	995,409	$	10.00
Forfeited	(1,532,129)	$	10.00
Outstanding as of December 31, 2021	**21,749,558**	**$**	**10.03**

The following table summarizes information about employees' share options outstanding as of December 31, 2021:

	Outstanding		
Range of exercise prices		**Number Outstanding**	**Weighted average remaining contractual life (in years)**
	$10.00	21,694,907	2.89
	$19.07	23,422	5.04
	$22.54	23,422	5.04
	$26.00	7,807	5.04

The weighted average remaining contractual life is calculated based on the 10-year contract terms of the options. And the weighted average exercise price is calculated using the exercise price of the outstanding options, which pertain to the 2018 Share Incentive Plan.

As of December 31, 2019, 2020 and 2021, there was $200,591, $251,483 and $62,680, respectively, of total unrecognized compensation cost related to outstanding stock options.

As of December 31, 2020 and 2021, the Company had 2,790,590 and 2,457,663 share options available for future grant.

31. Financial Risk Management Objectives and Policies

GLOBALFOUNDRIES has implemented a cash investment policy which determines the overall objectives of the Company's investment strategy. This policy is aimed to ensure the preservation of capital and the maintenance of sufficient liquidity necessary to fund operations while balancing the needs for appropriate returns. The cash investment policy limits permissible investments and credit quality.

The primary objective of the Company's capital management is to ensure that it maintains a healthy capital ratio in order to support its business and maximize shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions. There are no regulatory imposed requirements on the level of share capital which the Company has to maintain.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio within a range to meet the business needs of the Company.

The Company includes within net debt, interest bearing loans and borrowings and obligations under lease less bank balances and cash. Capital includes total equity including non-controlling interests less cumulative changes in fair value.

The Company's interest-bearing loans and borrowings have certain financial covenants. Restrictive covenants in the Company's credit facilities may prevent the Company from pursuing certain transactions or business strategies, including by limiting the Company's ability to, in certain circumstances:

- incur additional indebtedness;
- pay dividends or make distributions;
- acquire assets or make investments outside of the ordinary course of business;
- sell, lease, license, transfer or otherwise dispose of assets;
- enter into transactions with the affiliates;
- create or permit liens;
- guarantee indebtedness; and
- engage in certain extraordinary transactions.

As of December 31, 2021, the Company is in compliance with the financial covenants.

Risks Arising from Financial Instruments—The main risks arising from the Company's financial instruments are market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk. The Board of Directors reviews and approves policies for managing each of these risks which are summarized below.

Market Risk—Market price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise the following types of risk: interest rate risk, foreign currency risk and equity price risk.

Interest Rate Risk—The Company's exposure to market risk for changes in interest rates relates primarily to interest-earning financial assets and interest-bearing financial liabilities. The Company's interest-earning financial assets are mostly highly liquid investments and consist of primarily money market funds and time deposits. As these financial assets are mainly short-term in nature, the Company's exposure to mark-to-market risk is limited. The Company's interest-bearing financial liabilities include fixed and floating rate loans and lease obligations. Floating rate loans bear interest at Base Rate or LIBOR or EURIBOR plus a premium, which is fixed. The Company uses pay-fixed / receive-float interest rate swaps to protect the Company against adverse fluctuations in interest rates and to reduce its exposure to variability in cash flows on the Company's forecasted floating-rate debt facility to the extent that it is practicable and cost effective to do so.

Cash Flow Sensitivity Analysis for Variable Rate Instruments—The sensitivity of profit or loss in the consolidated statement of comprehensive income is the effect of the assumed changes in interest rates on the Company's profit or loss for one year, based on the floating rate financial assets and financial liabilities held on December 31, 2020.

The following table demonstrates the sensitivity of profit or loss in the consolidated statement of operations to reasonably possible changes in interest rates, with all other variables held constant.

	Increase/ (Decrease) in Percentages		Effects on Loss before Tax
December 31, 2019	10 %	$	2,164
	(10) %	$	(2,164)
December 31, 2020	10 %	$	19,194
	(10 %)	$	(19,194)
December 31, 2021	10 %	$	2
	(10) %	$	(2)

Foreign Currency Risk—As a result of foreign operations, the Company has costs, assets and liabilities that are denominated in foreign currencies, primarily the Euro, the Japanese Yen and the Singapore Dollar. Therefore, movements in exchange rates could cause foreign currency denominated expenses to increase as a percentage of net revenue, affecting profitability and cash flows. The Company uses foreign currency forward contracts to reduce exposure to foreign currency fluctuations. The Company also incurs certain portion of its interest expense in Euro and Singapore Dollars, exposing the

Company to exchange rate fluctuations between USD and EUR and SGD. The Company uses cross-currency swaps to reduce its exposure to variability from foreign exchange impacting cash flows arising from Company's foreign currency denominated debt cash flows to the extent than it is practicable and cost effective to do so.

Exposure to Currency Risk—The Company's exposure to foreign currency risk against financial assets and financial liabilities was as follows, based on notional amounts:

	EUR	JPY	SGD
December 31, 2020			
Receivables and prepayments	$ 141,603	$ 353	$ 12,020
Cash and cash equivalents	54,043	2,150	8,531
Loans and borrowings	(26,992)	—	42
Trade and other payables	(150,127)	(13,820)	(65,966)
	$ 18,527	**$ (11,317)**	**$ (45,373)**
December 31, 2021			
Receivables and prepayments	$ 160,684	$ 315	$ 12,573
Cash and cash equivalents	45,178	1,922	3,924
Loans and borrowings	(14,361)	—	(90,912)
Trade and other payables	(253,558)	(72,867)	(147,284)
	$ (62,057)	**$ (70,630)**	**$ (221,699)**

Credit Risk—Credit risk can be defined as the risk of suffering financial loss from financial instruments due to the failure by a counterparty to fulfill an obligation. Financial instruments that subject the Company to concentrations of credit risk include investments and cash equivalents and foreign exchange transactions. With respect to credit risk arising from the Company's cash and cash equivalents, the Company's exposure to credit risk arises from default of the counterparty, with maximum exposure equal to the carrying amount of these instruments.

The Company generally does not require collateral to secure accounts receivable. The risk with respect to trade receivables is mitigated by credit evaluations the Company performs on the Company's customers, the short duration of the Company's payments terms for the significant majority of the Company's customer contracts and by the diversification of the Company's customer base. The expected credit losses of trade and other receivables are not significant.

The Company's five largest customers account for approximately 63% and 61% of the outstanding trade receivables balance as of December 31, 2020 and 2021, respectively.

Exposure to Credit Risk—The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

The aging of financial assets including trade receivables is as follows:

			Past Due but Not Impaired			
	Total	Neither part Due Nor Impaired	< 30 Days	31-90 Days	91-120 Days	Great than 120 days
December 31, 2020	$ 1,041,389	$ 1,026,367	$ 14,795	$ 197	$ 30	$ —
December 31, 2021	$ 1,067,350	$ 1,023,506	$ 42,507	$ 550	$ 787	$ —

Liquidity Risk—The Company monitors its risk to a shortage of funds by monitoring its cash flow situation. Ongoing cash forecasting and review processes have been set up to determine the amount of external funding needed. The Company has set up a process of mid- and long-term financial planning. The Company's financing structure, including maturities of debt, is determined in response to the financing requirements identified with the long-term business planning process.

The table below summarizes the maturity profile of the Company's financial liabilities:

	Carrying Value	Contractual Cash Flows	1 Year or Less	1 to 5 Years	Greater than 5 Years	Total
December 31, 2020						
Loans and borrowings	$ 2,337,955	$ 2,507,456	$ 447,490	$ 2,000,928	$ 59,038	$ 2,507,456
Lease obligations	464,512	597,996	165,621	256,597	175,778	597,996
Derivative financial liability	34,663	34,663	1,318	33,345	—	34,663
Trade payables and other liabilities	1,271,944	1,271,944	1,138,069	133,875	—	1,271,944
	$ 4,109,074	**$ 4,412,059**	**$ 1,752,498**	**$ 2,424,745**	**$ 234,816**	**$ 4,412,059**
December 31, 2021						
Loans and borrowings	$ 2,013,099	$ 2,204,618	$ 349,373	$ 1,735,562	$ 119,683	2,204,618
Lease obligations	425,518	511,901	156,784	231,820	123,297	511,901
Derivative financial liability	65,569	65,569	48,593	16,976	—	65,569
Trade payables and other liabilities	1,894,595	1,894,595	1,848,083	46,512	—	1,894,595
	$ 4,398,781	**$ 4,676,683**	**$ 2,402,833**	**$ 2,030,870**	**$ 242,980**	**$ 4,676,683**

In preparing the maturity profile, undiscounted payments are calculated based on contractually agreed interest rates where these are fixed, or, in the case of discounted liabilities for leases, where the interest rate is implicit in the financing arrangement. For variable interest arrangements undiscounted payments are determined based on the interest rate prevailing at the reporting date.

Assets and Liabilities Measured at Fair Value—The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1—Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2—Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3—Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data

Time deposits and money market funds are primarily classified within Level 1 or Level 2 because time deposits and money market funds are valued primarily using quoted market prices of similar instruments or alternative pricing sources and models utilizing market observable inputs.

For assets and liabilities that are recognized at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. Foreign currency forward contracts are classified within Level 2. The fair values of foreign currency forward contracts are determined using quantitative models that require the use of multiple market inputs, including interest rates, prices and maturity dates to generate pricing curves, which are used to value the positions. The market inputs are generally actively quoted and can be validated through external sources. For foreign currency forward contract asset and liability positions with maturity dates which fall between the dates of quoted prices, interpolation of rate or maturity scenarios are used in determining fair values. During the years ended December 31, 2020 and 2021, there were no transfers between Level 1 and Level 2 fair value measurements.

Financial Instruments Measured at Fair Value on a Recurring Basis

The following table presents the Company's assets and liabilities measured at fair value on a recurring basis:

	Fair Value Measurement at Reporting Date Using			
	Total	Quoted Prices Identical Assets/ Liabilities (Level 1)	Significant Other Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
December 31, 2020				
Assets:				
Cash equivalents[1]	$ 560,198	$ 560,198	$ —	$ —
Investments in equity instruments[2]	$ 12,737	$ —	$ —	$ 12,737
Derivatives[3]	$ 84,588	$ —	$ 84,588	$ —
Liabilities:				
Derivatives[4]	$ 34,663	$ —	$ 34,663	$ —

	Fair Value Measurement at Reporting Date Using			
	Total	Quoted Prices Identical Assets/ Liabilities (Level 1)	Significant Other Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
December 31, 2021				
Assets:				
Cash equivalents [1]	$ 2,175,002	$ 2,150,002	$ 25,000	$ —
Investments in equity instruments [2]	$ 16,806	$ 770	$ —	$ 16,036
Derivatives[3]	$ 25,500	$ —	$ 25,500	$ —
Liabilities:				
Derivatives[4]	$ 65,569	$ —	$ 65,569	$ —

(1) Included in cash and cash equivalents on the Company's consolidated statements of financial position.

(2) Included in current and noncurrent receivables, prepayments and other assets on the Company's consolidated statements of financial position.

(3) Consists of foreign currency forward contracts, interest rate swaps, cross currency swaps and commodity hedge. Included in other current and noncurrent financial assets on the Company's consolidated statements of financial position.

(4) Consists of foreign currency forward contracts, interest rate swaps, cross currency swaps and commodity hedge. Included in other current and noncurrent financial liabilities on the Company's consolidated statements of financial position.

Financial Instruments Not Recorded at Fair Value on a Recurring Basis

Financial instruments not recorded at fair value on a recurring basis include non-marketable equity securities (that have not been re-measured or impaired in the current period), grants receivable, loans receivable, lease obligations and the Company's short-term and long-term debt.

The carrying and fair values of the Company's financial instruments not recorded at fair value on a recurring basis are presented in the following table, classified according to the categories of loans and receivables ("LaR") and financial liabilities at amortized cost ("FLAC"):

		December 31, 2020		December 31, 2021	
Financial Liability	**Category**	**Carrying Amount**	**Fair Value**	**Carrying Amount**	**Fair Value**
Other long-term debt	FLAC	2,337,955	2,336,114	2,013,099	2,005,999
Total		**$ 2,337,955**	**$ 2,336,114**	**$ 2,013,099**	**$ 2,005,999**

Estimated fair values of loans and borrowings is based on quoted prices for similar liabilities for which significant inputs are observable and represents a Level 2 valuation. The fair values are estimated based on the type of loan and maturity. The Company estimates the fair value using market interest rates for the Company's debts with similar maturities.

32. Operating Segments Information

(a) Operating segments, segment revenue, operating results

The Company's chief operating decision-maker is the Company's Chief Executive Officer who makes resource allocation decisions and assesses performance based on financial information presented on a consolidated basis. There are no segment managers who are held accountable by the chief operating decision-maker, or anyone else, for operations, operating results, and planning for levels or components below the consolidated unit level. Accordingly, the Company has determined that the Company has a single reportable segment and operating segment structure.

(b) Revenue and non-current assets by geography and major customers' representing at least 10% of revenue based on customer's headquarters were as follows:

	For the year ended December 31,		
Revenue by Geography	**2019**	**2020**	**2021**
United States	$ 4,140,201	$ 3,368,262	$ 3,975,215
Europe, the Middle East, and Africa	695,193	451,283	805,226
Other	977,394	1,030,960	1,804,638
	$ 5,812,788	**$ 4,850,505**	**$ 6,585,079**

Noncurrent Assets by Geography	**2020**	**2021**
United States	$ 5,843,023	$ 5,433,410
Germany	1,404,202	1,989,121
Singapore	1,114,603	1,547,094
Other	495,461	411,551
Total	**$ 8,857,289**	**$ 9,381,176**

Non-current assets include property, plant, equipment, right-of-use assets, intangible assets, investments in joint venture and associates, restricted cash (non-current) and receivables, prepayments and other assets (non-current).

	For the year ended December 31,					
Major Customer	**2019**		**2020**		**2021**	
	Amount	**%**	**Amount**	**%**	**Amount**	**%**
Customer A	$ 1,600,750	28	$ 1,000,750	21	$ 811,304	12
Customer B	$ 442,537	8	$ 536,915	11	$ 995,241	15

33. Customer And Supplier Concentration

Significant customers and suppliers are those that account for greater than 10% of the Company's revenue and purchases.

The Company earned a substantial portion of revenue from two customers in 2019, 2020 and 2021: Customer A amounted to 28%, 21% and 12% of total revenue, respectively, and Customer B amounted to 8%, 11%, and 15% of total revenue, respectively. As of December 31, 2020 and 2021, the amounts due from Customer A included in accounts receivable were $129,895 and $178,506, respectively, and the amounts due from Customer B included in accounts receivable were $100,410 and $159,597, respectively. The loss of the significant customers or the failure to attract new customers could have a material adverse effect on our business, results of operations and financial condition for the Company.

The Company purchased 42%, 52% and 46% of its SOI wafers, a key input into its products, from a single supplier in 2019, 2020 and 2021, respectively. As of December 31, 2020 and 2021, the net amount due to the supplier was $32,450 and $63,237 respectively. Any failure in the supplier's ability to provide SOI wafers could materially and adversely affect the Company's results of operations, financial condition, business and prospects.

ITEM 19. EXHIBITS

Documents filed as exhibits to this Form 20-F:

1.1	Second Amended and Restated Memorandum and Articles of Association of the Registrant (incorporated by reference to Exhibit 4.1 of the Registrant's Registration Statement on Form S-8 (File No. 333-260674) filed with the SEC on November 2, 2021)
2.1*	Shareholder's Agreement among the Registrant and other parties thereto
2.2*	Registration Rights Agreement among the Registrant and other parties thereto
2.3*	Description of the Registrant's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934
4.1	2017 Share Incentive Plan (incorporated by reference to Exhibit 10.7 of the Registrant's Registration Statement on Form F-1 (File No. 333-260003) filed with the SEC on October 4, 2021)
4.2	2018 Share Incentive Plan (incorporated by reference to Exhibit 10.8 of the Registrant's Registration Statement on Form F-1 (File No. 333-260003) filed with the SEC on October 4, 2021)
4.3	2021 Share Incentive Plan (incorporated by reference to Exhibit 10.1 of the Registrant's Registration Statement on Form F-1 (File No. 333-260003) filed with the SEC on October 4, 2021)
4.4	2021 Amendment of the GLOBALFOUNDRIES Inc. 2018 Share Incentive Plan Share Option Agreement (incorporated by reference to Exhibit 10.9 of the Registrant's Registration Statement on Form F-1 (File No. 333-260003) filed with the SEC on October 4, 2021)
4.5	2021 Amendment of the GLOBALFOUNDRIES Inc. 2018 Share Incentive Plan (incorporated by reference to Exhibit 10.10 of the Registrant's Registration Statement on Form F-1 (File No. 333-260003) filed with the SEC on October 4, 2021)
4.6	2021 Employee Stock Purchase Plan (incorporated by reference to Exhibit 10.11 of the Registrant's Registration Statement on Form F-1 (File No. 333-260003) filed with the SEC on October 4, 2021)
4.7†	Materials Supply Agreement, dated April 25, 2017, between the Company and Soitec S.A. (incorporated by reference to Exhibit 10.3 of the Registrant's Registration Statement on Form F-1 (File No. 333-260003) filed with the SEC on October 4, 2021)
4.8†	Addendum to Materials Supply Agreement, dated November 2, 2020, between the Company and Soitec S.A. (incorporated by reference to Exhibit 10.4 of the Registrant's Registration Statement on Form F-1 (File No. 333-260003) filed with the SEC on October 4, 2021)
4.9†	Amended and Restated Exhibit 3 to the Long Term Addendum, dated July 1, 2021, between the Company and Soitec S.A. (incorporated by reference to Exhibit 10.5 of the Registrant's Registration Statement on Form F-1 (File No. 333-260003) filed with the SEC on October 4, 2021)
4.1	Term Loan Facility Agreement, dated September 3, 2021, between GLOBALFOUNDRIES Singapore Pte. Ltd., the Company and Economic Development Board (incorporated by reference to Exhibit 10.6 of the Registrant's Registration Statement on Form F-1 (File No. 333-260003) filed with the SEC on October 4, 2021)
4.11*	2019 Revolving and L/C Facilities Agreement, dated October 18, 2019, between the Company and Citibank, N.A., London Branch and DBS Bank Ltd.
4.12*	2020 Amendment Agreement to Revolving and L/C Facilities Agreement, dated November 11, 2020, between the Company and Bank of America, N.A., Citibank, N.A., DBS Bank Ltd. and JPMorgan Chase Bank, N.A, Intesa Sanpaolo S.p.A., London Branch, Morgan Stanley Senior Funding, Inc., Deutsche Bank AG, ING Bank, Commerzbank AG and Credit Suisse AG, Cayman Islands Branch
4.13*	2021 Amendment to Revolving and L/C Facilities Agreement, dated October 13, 2021, between Bank of America, N.A., DBS Bank Ltd., Intesa Sanpaolo S.p.A., London Branch, JPMorgan Chase Bank, N.A., Morgan Stanley Senior Funding, Inc., Citibank, N.A., Deutsche Bank AG, Credit Suisse AG, Cayman Islands Branch, HSBC Bank USA, National Association and First Abu Dhabi Bank PJSC

4.14	Share Purchase Agreement by and between the Company and Silver Lake, dated as of October 18, 2021 (incorporated by reference to Exhibit 10.15 of the Registrant's Amendment No. 1 to Registration Statement on Form F-1 (File No. 333-260003) filed with the SEC on October 19, 2021)
4.15	Form of Director and Officer Indemnification Agreement (incorporated by reference to Exhibit 10.2 of the Registrant's Registration Statement on Form F-1 (File No. 333-260003) filed with the SEC on October 4, 2021)
8	List of subsidiaries of the Registrant (incorporated by reference to Exhibit 21.1 of the Registrant's Registration Statement on Form F-1 (File No. 333-260003) filed with the SEC on October 4, 2021)
12.1*	CEO Certification pursuant to Rule 13a-14(a)/15d-14(a)
12.2*	CFO Certification pursuant to Rule 13a-14(a)/15d-14(a)
13.1*	Certification pursuant to Rule 13a-14(b)/15d-14(b) and 18 U.S.C. §1350
101.INS*	Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document)
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith.

† Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks [***] as the identified confidential information is both (i) not material and (ii) is the type that the registrant treats as private or confidential.

SIGNATURE

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this Annual Report on its behalf.

/s/Thomas Caulfield
Dr. Thomas Caulfield
President and Chief Executive Officer, Board Director

Date: March 31, 2022

Exhibit 2.1

SHAREHOLDER'S AGREEMENT

by and among

GLOBALFOUNDRIES Inc.,

Mubadala Technology Investment Company

and

MTI International Investment Company LLC

Dated November 1, 2021

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SHAREHOLDER'S AGREEMENT

This Shareholder's Agreement is entered into on November 1, 2021 by and among GLOBALFOUNDRIES Inc. (the "Company"), Mubadala Technology Investment Company ("MTIC") and MTI International Investment Company LLC (together with MTIC, the "Holders").

RECITALS:

WHEREAS, the Company is currently contemplating an underwritten initial public offering ("IPO") of its Ordinary Shares (as defined below), $0.02 par value; and

WHEREAS, in connection with, and effective upon, the date of completion of the IPO (the "Closing Date"), the Company and the Holders wish to set forth certain understandings between such parties, including with respect to certain governance matters.

NOW, THEREFORE, the parties agree as follows:

Article I

INTRODUCTORY MATTERS

1.1 Defined Terms. In addition to the terms defined elsewhere herein, the following terms have the following meanings when used herein with initial capital letters:

"Accounting Control" means "control" within the meaning of IFRS 10 (Consolidated Financial Statements).

"Affiliate" means, with respect to any Person, (a) any Person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person, or (b) any Person who is a general partner, partner, managing director, manager, officer, director or principal of the specified Person.

"Agreement" means this Shareholder's Agreement, as the same may be amended, supplemented, restated or otherwise modified from time to time in accordance with the terms hereof.

"Affiliated Entity" means any Person that is directly or indirectly wholly owned by MIC.

"beneficially own" has the meaning set forth in Rule 13d-3 promulgated under the Exchange Act.

"Board" means the board of directors of the Company.

"Business Day" means a day other than a Saturday, Sunday, a federal or New York State holiday, or other day on which commercial banks in New York City are authorized or required by law to close.

"Closing Date" has the meaning set forth in the Preamble.

"Company" has the meaning set forth in the Preamble hereto.

"control" (including its correlative meanings, "controlled by", "controlling" and "under common control with") means possession, directly or indirectly, of the power to direct or cause the direction of the management or policies (whether through ownership of securities or any partnership or other ownership interest, by contract or otherwise) of a Person.

"Director" means any member of the Board.

"DMO" means the Debt Management Office of the Department of Finance of the Emirate of Abu Dhabi.

"Electronic Record" has the same meaning as in the Electronic Transactions Act.

"Electronic Transactions Act" means the Electronic Transactions Act (As Revised) of the Cayman Islands.

"EMIR" means European Market Infrastructure Regulation.

"Equity Method of Accounting" means, within the meaning of Internal Accounting Standard 28, a method of accounting by which an equity investment is initially recorded at cost and subsequently adjusted to reflect the investor's share of the net assets of the investee.

"Exchange Act" means the Securities Exchange Act of 1934 of the United States of America, as amended, and the rules and regulations promulgated thereunder, as the same may be amended from time to time.

"Governmental Authority" means any nation or government, any state or other political subdivision thereof, and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

"GRP" means the Group Reporting Pack in the format developed and provided by MIC.

"Holder" has the meaning set forth in the Preamble.

"ICFR" means a report on internal controls over financial reporting as required by the Abu Dhabi Accountability Authority.

"IFRS" means the International Financial Reporting Standards as issued by the International Accounting Standards Board and applicable requirements of the United Arab Emirates Federal Law No. 2 of 2015.

"Information" shall have the meaning set forth in Section 3.2 below.

"IPO" has the meaning set forth in the Preamble.

"Law" means any statute, act, law, regulation, ordinance, rule, injunction, order, decree, governmental approval, directive, requirement, or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or administration of any of the foregoing by, any Governmental Authority.

"Memorandum and Articles" means the Amended and Restated Memorandum and Articles of Association of the Company, as the same may be amended, supplemented, restated or otherwise modified from time to time.

"MDGH" means Mamoura Diversified Global Holding PJSC, a public joint stock company established under the laws of the Emirate of Abu Dhabi.

"MIC" means Mubadala Investment Company PJSC, a public joint stock company established under the laws of the Emirate of Abu Dhabi.

"Mubadala Designee" means: (i) a person serving as Director on the Closing Date whom MTIC designates, by written notice to the Company, to be a "Mubadala Designee"; and (ii) a person nominated by MTIC pursuant to Section 2.1 and thereafter appointed to the Board to serve as a Director.

"Mubadala Entities" means MIC, any Affiliated Entities, or any entity, investment fund or account managed or advised by MIC or an Affiliated Entity.

"Mubadala Group" means MIC and its subsidiaries.

"Mubadala Group Accounting Policy" means the Mubadala Accounting Policy, based on IFRS, that is developed by MIC and provided to the Company and its subsidiaries on an annual basis.

"Ordinary Shares" means the ordinary shares in the share capital of the Company, par value $0.02 per share.

"Person" means an individual, a company, an exempted company, an exempted partnership, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, or other form of business organization, whether or not regarded as a legal entity under applicable Law, or any Governmental Authority or any department, agency or political subdivision thereof.

"Related Parties" has the meaning set forth in Section 5.14.

"Subsidiary" means, with respect to any Person, any corporation, limited liability company, exempted company, exempted partnership, partnership, association or other business entity of which: (i) if a corporation or company, a majority of the total voting power of shares of stock or shares entitled to vote in the election or appointment of directors, representatives or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof; or (ii) if a limited liability company, partnership, exempted partnership, association or other business entity, a majority of the total voting power of stock (or equivalent ownership interest) of the limited liability company, partnership, association or other business entity is at the time owned or controlled, directly or indirectly, by that Person or one or more Subsidiaries of that Person or a combination thereof. For purposes hereof, a Person or Persons shall be deemed to have a majority ownership interest in a limited liability company, partnership, association or other business entity if such Person or Persons shall be allocated a majority of limited liability company, partnership, association or other business entity gains or losses or shall be or control the managing member, managing director or other governing body or general partner of such limited liability company, partnership, association or other business entity.

"Total Number of Directors" means the total number of Directors constituting the Board.

1.2 Construction. Interpretation of this Agreement shall be governed by the following rules of construction. Unless the context otherwise requires: (a) references to the terms Article, Section and paragraph are references to the Articles, Sections and paragraphs to this Agreement

unless otherwise specified; (b) the terms "hereof," "herein," "hereby," "hereto," and derivative or similar words refer to this entire Agreement hereto; (c) references to "$" or "Dollars" shall mean United States dollars; (d) the words "include," "includes," "including" and words of similar import when used in this Agreement shall mean "including without limitation," unless otherwise specified; (e) the word "or" shall not be exclusive; (f) references to "written" or "in writing" include in electronic form; (g) provisions shall apply, when appropriate, to successive events and transactions; (h) the headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement; (i) each of the Company and the Holders has participated in the negotiation and drafting of this Agreement and if an ambiguity or question of interpretation should arise, this Agreement shall be construed as if drafted jointly by the parties thereto and no presumption or burden of proof shall arise favoring or burdening either party by virtue of the authorship of any of the provisions in this Agreement; (j) a reference to any Person includes such Person's permitted successors and assigns; (k) references to "days" mean calendar days unless Business Days are expressly specified; (l) the word "will" shall be construed to have the same meaning and effect as the word "shall"; (m) the terms "party", "party hereto", "parties" and "party hereto" shall mean a party to this Agreement and the parties to this Agreement, as applicable, unless otherwise specified; (n) with respect to the determination of any period of time, "from" means "from and including"; (o) any deadline or time period set forth in this Agreement that by its terms ends on a day that is not a Business Day shall be automatically extended to the next succeeding Business Day; (p) any requirements as to delivery under this Agreement include delivery in the form of an Electronic Record; (q) any requirements as to execution or signature under this Agreement including the execution of this Agreement themselves can be satisfied in the form of an electronic signature as defined in the Electronic Transactions Act, and (r) Sections 8 and 19(3) of the Electronic Transactions Act shall not apply. Any agreement, instrument or statute defined or referred to herein means such agreement, instrument or statute as from time to time may be amended, supplemented, restated or modified, including (in the case of agreements or instruments) by waiver or consent and (in the case of statutes) by succession of comparable successor statutes.

Article II

BOARD OF DIRECTORS

1.1 Appointment of Directors

(a) Following the Closing Date, MTIC shall have the right, but not the obligation, to nominate to the Board a number of designees equal to at least:

(i) a majority of the Total Number of Directors, so long as the Mubadala Entities beneficially own 50% or more of the Ordinary Shares beneficially owned by the Mubadala Entities at the Closing Date;

(ii) 50% of the Total Number of Directors, in the event that the Mubadala Entities beneficially own 40% or more, but less than 50%, of the Ordinary Shares beneficially owned by the Mubadala Entities at the Closing Date;

(iii) 40% of the Total Number of Directors, in the event that the Mubadala Entities beneficially own 30% or more, but less than 40%, of the Ordinary Shares beneficially owned by the Mubadala Entities at the Closing Date;

(iv) 30% of the Total Number of Directors, in the event that Mubadala Entities beneficially own 20% or more, but less than 30%, of the Ordinary Shares beneficially owned by the Mubadala Entities at the Closing Date; and

(v) 20% of the Total Number of Directors, in the event that the Mubadala Entities beneficially own 5% or more, but less than 20%, of the Ordinary Shares beneficially owned by the Mubadala Entities at the Closing Date.

For purposes of calculating the number of Directors that MTIC is entitled to designate pursuant to this Section 2.1: (i) any fractional amounts shall automatically be rounded up to the nearest whole number (e.g., one and one quarter (1 1/4) Directors shall equate to two (2) Directors) and any such calculations shall be made after taking into account any increase in the Total Number of Directors; and (ii) the number of Ordinary Shares beneficially owned by the Mubadala Entities at the Closing Date shall be appropriately adjusted to reflect stock splits, combinations, reclassifications and similar transactions.

(b) In the event that MTIC has nominated less than the total number of designees MTIC shall be entitled to nominate pursuant to Section 2.1(a) above, MTIC shall have the right, at any time, to nominate such additional designees to which it is entitled, in which case, the Company and the Board shall take all necessary corporate action, to the fullest extent permitted by applicable law, to (x) enable MTIC to nominate and effect the appointment of such additional individuals, whether by increasing the size of the Board, or otherwise, and (y) to effect the appointment of such additional individuals nominated by MTIC to fill such newly created directorships or to fill any other existing vacancies.

(c) In the event that a vacancy is created at any time by the death, retirement or resignation of any Mubadala Designee, the remaining Directors shall, to the fullest extent permitted by applicable Law and as soon as possible, take all actions necessary at any time and from time to time, to cause the vacancy created thereby to be filled by a person designated by majority vote of the Mubadala Designees then in office or, if there are no such Mubadala Designees, designated by MTIC.

(d) The Company agrees, to the fullest extent permitted by applicable Law, to include in the slate of nominees recommended by the Board for appointment at any meeting of shareholders called for the purpose of appointing directors (where directors are divided into classes, such meeting being that of the relevant class) the persons designated pursuant to this Section 2.1 and to nominate and recommend each such individual to be appointed as a Director as provided herein, to solicit proxies or consents in favor thereof, and otherwise to provide the highest level of support for the appointment of each such person as we provide to any other individual standing for appointment as a director. The Company is entitled, solely for the purposes set forth in this Section 2.1(d), to identify such individual as a Mubadala Designee pursuant to this Shareholder's Agreement.

(e) For so long as MTIC is entitled to nominate a number of Mubadala Designees to the Board equal to or greater than 30% of the Total Number of Directors, the chair of the Board shall be selected by vote of a majority of the Mubadala Designees.

Article III

INFORMATION

1.1 Books and Records. The Company shall, and shall cause its consolidated subsidiaries to, keep proper books, records and accounts, in which full and correct entries shall be made of all financial transactions and the assets and business of the Company and each of its consolidated subsidiaries in accordance with generally accepted accounting principles.

1.2 Certain Reports.

(a) For so long as MIC has Accounting Control over the Company, the Company shall, and shall cause its consolidated subsidiaries to, provide to each of the Mubadala Entities who so requests:

(i) access to the Company's and its consolidated subsidiaries' books and records;

(ii) the opportunity to discuss the affairs, finances and condition of the Company or its consolidated subsidiaries with their management and auditors;

(iii) copies of all materials circulated to the Board (including to the Board committees);

(iv) quarter-end and monthly reports which shall conform, in all material aspects, to the format provided by MIC;

(v) within 45 days of the end of quarter or financial year, as the case may be, the quarterly and annual GRPs and analytics, to be reported in accordance with the Mubadala Group Accounting Policy and with IFRS, as well as updates on subsequent events until such time as the financial statements of MIC and MDGH are approved by their respective boards of directors;

(vi) within 45 days of the end of the quarter or the financial year, as the case may be, the quarterly and annual GRPs audited by the Company's auditors and reported to Mubadala Group's auditors in accordance with group audit instructions received from the Mubadala Group auditors;

(vii) half-yearly and annual DMO debt issuance projections in the format provided by MIC, including any projected drawings under the revolving credit facilities;

(viii) annual ICFR reporting in the format provided by MIC (such reporting to be provided to the Mubadala Group auditors as well), and provide to each of the Mubadala Entities who so requests and to the Mubadala Group auditors access to management, information and data related to internal controls over financial reporting; and

(ix) any other additional information required to be disclosed by such Mubadala Entity by Law or otherwise needed for such Mubadala Entity's internal or external reporting requirements or legal, regulatory or tax compliance,

all such information so furnished pursuant to this Section 3.2, the "Information".

(b) For so long as MIC accounts for its investment in the Company under the Equity Method of Accounting, the Company shall, and shall cause its consolidated subsidiaries to, provide to each Mubadala Entity who so requests, such Information as provided above, other than in relation to Sections 3.2(a)(iii), 3.2(a)(vii), 3.2(a)(viii) and 3.2(a)(ix), unless a change in Law results in a requirement to provide such Information, in which case such Information shall be provided.

(c) Where MIC neither Controls nor accounts for its investment in the Company under the Equity Method of Accounting, the Company shall only be required to provide, and to cause its consolidated subsidiaries to provide, to each Mubadala Entity who so requests, the Information set forth in Section 3.2(a)(ix) provided that the Company shall not be

required to provide any Information which it reasonably considers to constitute material non-public information.

1.3 Confidentiality. The Mubadala Entities shall maintain the confidentiality of the Information received pursuant to Section 3.2 above and such recipient shall, and shall direct its designated representatives to, keep confidential and not disclose any such Information. This obligation of confidentiality shall not apply to Information:

(a) that is or has become publicly available other than as a result of a disclosure by any of the Mubadala Entities or its designated representatives in violation of this Agreement;

(b) that was already known to any of the Mubadala Entities or its designated representatives or was in the possession of any of the Mubadala Entities or its designated representatives prior to its being furnished by or on behalf of the Company or its designated representatives;

(c) that is received by any of the Mubadala Entities or its designated representatives from a source other than the Company or its designated representatives, provided, that the source of such Information was not actually known by such Mubadala Entity or designated representative to be bound by a confidentiality agreement with, or other contractual obligation of confidentiality to, the Company or any of its consolidated subsidiaries;

(d) that was independently developed or acquired by any of the Mubadala Entities or its designated representatives or on its or their behalf without the violation of the terms of this Agreement; or

(e) that any of the Mubadala Entities or its designated representatives is required to disclose pursuant Law.

1.4 Sharing of Information. Individuals associated with the Mubadala Entities (including the Holders) may from time to time serve on the Board or the equivalent governing body of the Company's Subsidiaries. The Company, on its behalf and on behalf of its Subsidiaries, recognizes that individuals associated with the Mubadala Entities, including the Mubadala Designees, (i) may from time to time receive Information concerning the Company and its Subsidiaries, and (ii) may (subject to the obligation to maintain the confidentiality of such information in accordance with Section 3.3) share such information with other individuals associated with the Mubadala Entities including directors, officers, employees, consultants, advisers, and financing providers. Such sharing will be for the dual purpose of facilitating support to such individuals in their capacity as directors, officers, employees, consultants, advisers, and financing providers and enabling the Mubadala Entities, as equity holders, to better evaluate the Company's performance and prospects. The Company, on behalf of itself and its Subsidiaries, hereby irrevocably consents to such sharing.

Article IV

OTHER RIGHTS

1.1 Consent to Certain Actions

(a) Subject to the provisions of Section 4.1(b), without the prior written approval of MTIC, the Company shall not, and shall (to the extent applicable) cause each of its Subsidiaries not to:

(i) amend, modify or repeal (whether by merger, consolidation or otherwise) any provision of the Memorandum and Articles or equivalent organizational documents of the Company in a manner that adversely affects Mubadala Entities beneficially owning Company shares;

(ii) issue additional equity interests of the Company or any of its Subsidiaries, other than (A) any award under any shareholder-approved equity compensation plan, or (B) any intra-company issuance among the Company and its wholly-owned Subsidiaries;

(iii) merge, consolidate with or into any other entity, or transfer (by lease, assignment, sale or otherwise) all or substantially all of the Company's and its Subsidiaries' assets, taken as a whole, to another entity, or enter into or agree to undertake any transaction that would constitute a "change of control" as defined in the Company's and its Subsidiaries' principal credit facilities or debt instruments (other than, in each case, transactions among the Company and its wholly-owned Subsidiaries);

(iv) other than in the ordinary course of business with vendors, customers and suppliers, enter into or effect any (A) acquisition by the Company or any Subsidiary of the equity interests or assets of any Person, or the acquisition by the Company or any Subsidiary of any business, properties, assets, or Persons, in one transaction or a series of related transactions or (B) disposition of assets of the Company or any Subsidiary or the shares or other equity interests of any Subsidiary, in each case where the amount of consideration for any such acquisition or disposition exceeds $300 million in any single transaction, or an aggregate amount of $500 million in any series of transactions during a calendar year;

(v) undertake any liquidation, dissolution or winding up of the Company;

(vi) incur financial indebtedness, in a single transaction or a series of related transactions, aggregating to more than $200 million, except for borrowings under a revolving credit facility that has previously been approved or is in existence (with no increase in maximum availability) on the date of closing of the Company's IPO;

(vii) hire or terminate the Chief Executive Officer, the Chief Financial Officer or the Chief Legal Officer of the Company or designate any replacement thereto;

(viii) effect any material change in the nature of the business of the Company or any Subsidiary, taken as a whole; or

(ix) change the size of the Board.

(b) The approval rights set forth in Section 4.1(a) shall terminate at such time as the Mubadala Entities no longer collectively beneficially own at least 30% of the outstanding Ordinary Shares.

1.2 Auditor Selection

(a) Until the first financial year end occurring after the date on which the entities comprising the Mubadala Group and any entities owned by the Government of Abu Dhabi, together with their subsidiaries, no longer own, in the aggregate, at least 25% of the voting power of the Company's outstanding securities, the Company shall:

(i) use its reasonable best efforts, if permitted by applicable Law (including, in particular, the Company's Audit, Risk and Compliance Committee's duties and responsibilities under the Securities Exchange Act of 1934, as amended) and if in the best interests of the Company, to select as its independent registered public accounting firm the Mubadala Group auditor (or an affiliate of such auditor); and

(ii) provide MIC as much prior notice as is reasonably practical of any change in the Company's independent registered public accounting firm.

(b) When selecting its independent registered public accounting firm, the Company shall give due consideration to the benefits arising to the Company from the selection of the same firm as the Mubadala Group auditor (or an affiliate of such auditor).

Article V

GENERAL PROVISIONS

1.1 Termination. This Agreement shall terminate on the earlier to occur of (i) such time as the Mubadala Entities no longer beneficially own 5% or more of the outstanding Ordinary Shares in the aggregate and (ii) upon the delivery of a written notice by MTIC to the Company requesting that this Agreement terminate.

1.2 Notices. Any notice provided for in this Agreement shall be in writing and shall be either personally delivered, sent by electronic mail or sent by reputable international courier service (charges prepaid) to the address set forth below, or at such address or to the attention of such other Person as the recipient party has specified by prior written notice to the sending party. Notices will be deemed to have been given hereunder when delivered personally, sent by electronic mail (provided no message is received by sender indicating that the electronic mail was not delivered to its intended recipient) or upon actual delivery by reputable international courier service (as indicated in such courier service's records).

The Company's address is:

GLOBALFOUNDRIES Inc.
400 Stonebreak Road Extension
Malta, NY 12020
United States
Attention: General Counsel
Email: legal.notices@gf.com

The Holders' address is:

c/o MTI International Investment Company LLC
Mamoura Building A, Muroor Road
P.O. Box 45005
Abu Dhabi, United Arab Emirates
Attention: General Counsel
Email: anamphy@mubadala.ae, with copy to legalunit@mubadala.ae

1.3 Amendment; Waiver. This Agreement may be amended, supplemented or otherwise modified only by a written instrument executed by the Company and the other parties hereto. Neither the failure nor delay on the part of any party hereto to exercise any right, remedy, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege preclude any other or further exercise of

the same or of any other right, remedy, power or privilege, nor shall any waiver of any right, remedy, power or privilege with respect to any occurrence be construed as a waiver of such right, remedy, power or privilege with respect to any other occurrence. No waiver shall be effective unless it is in writing and is signed by the party asserted to have granted such waiver.

1.4 Further Assurances. The parties hereto will sign such further documents, cause such meetings to be held, resolutions passed, exercise their votes and do and perform and cause to be done such further acts and things necessary, proper or advisable in order to give full effect to this Agreement and every provision hereof. To the fullest extent permitted by applicable Law, the Company shall not directly or indirectly take any action that is intended to, or would reasonably be expected to result in the Mubadala Entities being deprived of any rights contemplated by this Agreement.

1.5 Assignment. This Agreement will inure to the benefit of and be binding on the parties hereto and their respective successors and permitted assigns. This Agreement may not be assigned without the express prior written consent of the other parties hereto, and any attempted assignment, without such consents, will be null and void; provided, however, each of the Holders shall be entitled to assign, in whole or in part, any of its rights hereunder without such prior written consent to any Mubadala Entity to which it transfers Ordinary Shares.

1.6 Third Parties. Except as provided for in Section 3.4 with respect to the Mubadala Entities and the individuals associated with the Mubadala Entities specified therein, this Agreement does not create any rights, claims or benefits inuring to any person that is not a party hereto nor create or establish any third party beneficiary hereto and any person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act (As Revised), as amended, modified, re-enacted or replaced, to enforce any term of this Agreement.

1.7 Governing Law; Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the Cayman Islands, without regard to principles of conflicts of laws thereof. Each party irrevocably agrees to submit to the exclusive jurisdiction of the courts of the Cayman Islands over any claim or matter arising under or in connection with this Agreement or the legal relationship established by this Agreement.

1.8 Specific Performance. Without prejudice to any other rights or remedies that either party may have, each party acknowledges and agrees that damages alone would not be an adequate remedy for any breach by the other party of the provisions of this Agreement and that accordingly each party shall be entitled, without proof of special damages, to the remedies of injunction, specific performance or other equitable relief for any threatened or actual breach of the provisions of this Agreement.

1.9 Entire Agreement. This Agreement sets forth the entire understanding of the parties hereto with respect to the subject matter hereof. There are no agreements, representations, warranties, covenants or understandings with respect to the subject matter hereof or thereof other than those expressly set forth herein and therein. This Agreement supersedes all other prior agreements and understandings between the parties with respect to such subject matter.

1.10 Severability. If any provision of this Agreement, or the application of such provision to any Person or circumstance or in any jurisdiction, shall be held to be invalid or unenforceable to any extent, (i) the remainder of this Agreement shall not be affected thereby, and each other provision hereof shall be valid and enforceable to the fullest extent permitted by applicable Law, (ii) as to such Person or circumstance or in such jurisdiction such provision shall be reformed to be valid and enforceable to the fullest extent permitted by applicable Law and (iii) the application of such provision to other Persons or circumstances or in other jurisdictions shall not be affected thereby.

1.11 Table of Contents, Headings and Captions. The table of contents, headings, subheadings and captions contained in this Agreement are included for convenience of reference only, and in no way define, limit or describe the scope of this Agreement or the intent of any provision hereof.

1.12 Counterparts. This Agreement and any amendment hereto may be signed in any number of separate counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one Agreement (or amendment, as applicable).

1.13 Effectiveness. This Agreement shall become effective upon the Closing Date.

1.14 No Recourse. Notwithstanding anything that may be expressed or implied in this Agreement or otherwise, and notwithstanding the fact that certain of the Holders may be limited liability companies, corporations or other entities, each party hereto covenants, agrees and acknowledges that no recourse under this Agreement or any documents or instruments delivered by any Person pursuant hereto or otherwise shall be had against the Mubadala Entities or any of their former, current or future direct or indirect equity holders, controlling Persons, shareholders, directors, officers, employees, agents, Affiliates, members, financing sources, managers, general or limited partners or assignees (each a "Related Party" and collectively, the "Related Parties"), in each case other than (subject, for the avoidance of doubt, to the provisions of this Agreement) each party hereto or any of its respective assignees under this Agreement, whether by the enforcement of any assessment or by any legal or equitable proceeding, or by virtue of any applicable Law, it being expressly agreed and acknowledged that no personal liability whatsoever shall attach to, be imposed on or otherwise be incurred by any of the Related Parties, as such, for any obligation or liability of any party hereto or any of its respective assignees under this Agreement or any documents or instruments delivered by any Person pursuant hereto for any claim based on, in respect of or by reason of such obligations or liabilities or their creation; provided, however, that nothing in this Section 5.14 shall relieve or otherwise limit the liability of any party hereto or any of its respective assignees for any breach or violation of its obligations under such agreements, documents or instruments.

[*Remainder Of Page Intentionally Left Blank*]

IN WITNESS WHEREOF, the parties hereto have executed this Shareholder's Agreement on the day and year first above written.

GLOBALFOUNDRIES Inc.

By: /s/ Thomas Caulfield
Name: Dr. Thomas Caulfield
Title: Chief Executive Officer

[*Signature Page to Shareholder's Agreement*]

MUBADALA TECHNOLOGY INVESTMENT COMPANY

By: /s/ Andre Namphy
Name: Andre Namphy
Title: Authorized Signatory

By: /s/ Rajesh Gopalakrishnan
Name: Rajesh Gopalakrishnan
Title: Authorized Signatory

[*Signature Page to Shareholder's Agreement*]

MTI INTERNATIONAL INVESTMENT COMPANY LLC

By: /s/ Andre Namphy
Name: Andre Namphy
Title: Authorized Signatory

By: /s/ Rajesh Gopalakrishnan
Name: Rajesh Gopalakrishnan
Title: Authorized Signatory

[*Signature Page to Shareholder's Agreement*]

Exhibit 2.2

REGISTRATION RIGHTS AGREEMENT

BY AND AMONG

MUBADALA TECHNOLOGY INVESTMENT COMPANY,

MTI INTERNATIONAL INVESTMENT COMPANY LLC,

AND

GLOBALFOUNDRIES INC.

Dated as of November 1, 2021

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REGISTRATION RIGHTS AGREEMENT

This Registration Rights Agreement (the "Agreement") is made, entered into and effective as of November 1, 2021, by and among GLOBALFOUNDRIES Inc. (the "Company"), Mubadala Technology Investment Company ("MTIC") and MTI International Investment Company LLC (together with MTIC, and their respective successors and Permitted Assignees (as defined below), the "Holders").

WITNESSETH:

WHEREAS, as of the date hereof, the Holders (as defined above) are the direct beneficial owner of all the Ordinary Shares (as defined below);

WHEREAS, the Company is currently contemplating an underwritten initial public offering ("IPO") of its Ordinary Shares; and

WHEREAS, in connection with, and effective upon, the date of completion of the IPO, the parties desire to set forth certain registration rights applicable to the Registrable Securities (as defined below).

NOW, THEREFORE, in consideration of the foregoing and the mutual promises, covenants and agreements of the parties hereto, and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Article I

DEFINITIONS

Section 1.01. Defined Terms. As used in this Agreement, the following terms shall have the following meanings:

"Adverse Disclosure" means public disclosure of material, non-public information that (i) would be required to be made in any Registration Statement filed with the SEC by the Company so that such Registration Statement would not be materially misleading and would not be required to be made at such time but for the filing of such Registration Statement; and (ii) the Company has a bona fide business purpose for not disclosing such information publicly.

"Affiliate" means, with respect to any Person, (a) any Person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person, or (b) any Person who is a general partner, partner, managing director, manager, officer, director or principal of the specified Person.

"Agreement" has the meaning set forth in the preamble.

"Board of Directors" means the board of directors of the Company.

"Business Day" means any day other than a Saturday, Sunday or a federal or New York State holiday or other day on which commercial banks in New York City are authorized or required by law or executive order to close.

"Company" has the meaning set forth in the Preamble hereto.

"Company Share Equivalent" means securities exercisable or exchangeable for or convertible into, Company Shares.

"Company Shares" means the Ordinary Shares, any securities into which such Ordinary Shares shall have been converted or for which such Ordinary Shares shall be exchanged, or any securities resulting from any reclassification, recapitalization, exchange or similar transactions with respect to such Ordinary Shares.

"Demand Company Notice" has the meaning set forth in Section 2.01(d).

"Demand Holder" has the meaning set forth in Section 2.01(a).

"Demand Notice" has the meaning set forth in Section 2.01(a).

"Demand Period" has the meaning set forth in Section 2.01(c)

"Demand Registration" has the meaning set forth in Section 2.01(a).

"Demand Registration Statement" has the meaning set forth in Section 2.01(a).

"Effectiveness Date" means the date following the Company's IPO on which the Holders are no longer subject to any underwriter's lock-up or other similar contractual restriction on the sale of Registrable Securities in connection with the IPO.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and any successor thereto, and any rules and regulations promulgated thereunder, all as the same shall be in effect from time to time.

"Governmental Authority" means any nation or government, any state or other political subdivision thereof, and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

"FINRA" means the Financial Industry Regulatory Authority.

"Form F-1" means a registration statement on Form F-1 under the Securities Act, or any comparable or successor form or forms thereto.

"Form F-3" means a registration statement on Form F-3 under the Securities Act, or any comparable or successor form or forms thereto.

"Free Writing Prospectus" means an issuer free writing prospectus, as defined in Rule 433 under the Securities Act, relating to an offer of Registrable Securities.

"Holder" has the meaning set forth in the Preamble hereto.

"Initiating Holder" has the meaning set forth in Section 2.02(a).

"Initiating Shelf Take-Down Holder" has the meaning set forth in Section 2.02(d)(i).

"Long-Form Registration" has the meaning set forth in Section 2.01(a).

"Loss" or "Losses" has the meaning set forth in Section 2.10(a).

"Marketed Underwritten Shelf Take-Down" means a Shelf Take-Down in the form of an Underwritten Offering that contemplates a customary "road show" (including any "electronic road show") or other substantial marketing efforts by the underwriter or underwriters over a period of at least forty-eight (48) hours.

"MTIC" has the meaning set forth in the Preamble hereto.

"Ordinary Shares" means the ordinary shares of the Company, par value $0.02 per share.

"Participating Holder" means, with respect to any Registration, any Holder of Registrable Securities, as applicable, covered by the applicable Registration Statement.

"Permitted Assignee" means (i) MIC, (ii) any Person that is directly or indirectly wholly owned by Mubadala Investment Company PJSC; (iii) any entity, investment fund or account managed or advised by MIC or Mubadala Investment Company PJSC; or (iv) any Person to which a Holder transfers all of the Holder's Registrable Securities.

"Person" means an individual, a company, an exempted company, a partnership, an exempted partnership, a limited partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, or other form of business organization, whether or not regarded as a legal entity under applicable Law, or any Governmental Authority or any department, agency or political subdivision thereof.

"Piggyback Registration" has the meaning set forth in Section 2.03(a).

"Prospectus" means the prospectus included in any Registration Statement, all amendments and supplements to such prospectus, including pre- and post-effective amendments to such Registration Statement, and all other material incorporated by reference in such prospectus.

"Registrable Amount" means: (x) in the case of a Demand Registration, a number of Registrable Securities representing the lesser of (i) all the Ordinary Shares held by the Demand Holder(s) at the time of the relevant Demand Notice, and (ii) fifty million U.S. dollars ($50 million); (y) in the case of a Shelf Take-Down relating to a Marketed Underwritten Shelf Take-Down, a number of Registrable Securities representing the lesser of (i) all the Ordinary Shares held by the Initiating Shelf Take-Down Holder(s) at the time of the relevant Shelf Take-Down Notice, and (ii) twenty-five million U.S. dollars ($25 million); and (z) in the case of a Shelf Take-Down Notice not relating to a Marketed Underwritten Shelf Take-Down, zero U.S. dollars ($0) (it being specified that with respect to clauses (x)(ii) and (y)(ii), such value shall be determined based on the closing price of such Registrable Securities on the date immediately preceding the date upon which the Demand Notice or Shelf Take-Down Notice, as applicable, has been received by the Company).

"Registrable Securities" means: (x) any Company Shares held by a Holder, (y) Company Shares issuable upon the conversion, exchange or exercise of a Company Share Equivalent, and (z) any securities that may be issued or distributed or be issuable or distributable in respect of, or in substitution for, any Company Shares held by a Holder by way of conversion, exercise, dividend, stock split or other distribution, merger, consolidation, exchange, recapitalization or reclassification or similar transaction, in each case whether now owned or hereinafter acquired; provided, however, that any such Registrable Securities shall cease to be Registrable Securities to the extent (i) a Registration Statement with respect to the sale of such Registrable Securities shall have become effective under the Securities Act and such Registrable Securities shall have been disposed of in accordance with the plan of distribution set forth in

such Registration Statement, (ii) such Registrable Securities have been distributed pursuant to Rule 144 or Rule 145 under the Securities Act (or any successor rule) without limitation, (iii) such Registrable Securities shall have been otherwise transferred and new certificates or book entry shares for them not bearing a legend restricting transfer shall have been delivered by the Company and such securities may be publicly resold without Registration under the Securities Act, (iv) a Registration Statement on Form S-8 (or any successor form) covering such Registrable Securities is effective or (v) such security ceases to be outstanding. For the avoidance of doubt, it is understood that, with respect to any Registrable Securities for which a Holder holds vested but unexercised options or other Company Share Equivalents at such time exercisable for, convertible into or exchangeable for Company Shares, to the extent that such Registrable Securities are to be sold pursuant to this Agreement, such Holder must exercise the relevant option or exercise, convert or exchange such other relevant Company Share Equivalent and transfer the underlying Registrable Securities (in each case, net of any amounts required to be withheld by the Company in connection with such exercise).

"Registration" means a registration with the SEC of the Company's securities for offer and sale to the public under a Registration Statement. The term "Register" shall have a correlative meaning.

"Registration Expenses" has the meaning set forth in Section 2.09.

"Registration Statement" means any registration statement of the Company that covers Registrable Securities pursuant to the provisions of this Agreement filed with, or to be filed with, the SEC under the rules and regulations promulgated under the Securities Act, including the related Prospectus, amendments and supplements to such registration statement, including pre- and post-effective amendments, and all exhibits and all material incorporated by reference in such registration statement; provided, however, that the term "Registration Statement" without reference to a time includes such Registration Statement as amended by any post-effective amendments as of the time of first contract of sale for the Registrable Securities.

"Representatives" means, with respect to any Person, any of such Person's officers, directors, employees, agents, attorneys, accountants, actuaries, consultants, equity financing partners or financial advisors or other Person associated with, or acting on behalf of, such Person.

"SEC" means the Securities and Exchange Commission.

"Securities Act" means the Securities Act of 1933, as amended, and any successor thereto, and any rules and regulations promulgated thereunder, all as the same shall be in effect from time to time.

"Shelf Holder" has the meaning set forth in Section 2.02(c).

"Shelf Notice" has the meaning set forth in Section 2.02(a).

"Shelf Registration" has the meaning set forth in Section 2.02(a).

"Shelf Registration Statement" means a Registration Statement of the Company filed with the SEC on Form F-3 (or any successor form or other appropriate form under the Securities Act) for an offering to be made on a continuous basis pursuant to Rule 415 (or any successor provision) under the Securities Act covering all or any portion of the Registrable Securities, as applicable. To the extent that the Company is a "well-known seasoned issuer" (as such term is defined in Rule 405 (or any successor or similar rule) of the Securities Act), a "Shelf

Registration Statement" shall be deemed to refer to an "automatic shelf registration statement," as such term is defined in Rule 405 (or any successor or similar rule) of the Securities Act.

"Shelf Take-Down" has the meaning set forth in Section 2.02(d)(i).

"Shelf Take-Down Notice" has the meaning set forth in Section 2.02(d)(i).

"Short-Form Registration" has the meaning set forth in Section 2.01(a).

"Subsidiary" means, with respect to any Person, any entity of which (i) a majority of the total voting power of shares of stock or equivalent ownership interests entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers, trustees or other members of the applicable governing body thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof, or (ii) if no such governing body exists at such entity, a majority of the total voting power of shares of stock or equivalent ownership interests of the entity is at the time owned or controlled, directly or indirectly, by that Person or one or more Subsidiaries of that Person or a combination thereof. For purposes hereof, a Person or Persons shall be deemed to have a majority ownership interest in a corporation, limited liability company, partnership, association or other business entity if such Person or Persons shall be allocated a majority of limited liability company, partnership, association or other business entity gains or losses or shall be or control the managing member or general partner of such limited liability company, partnership, association or other business entity.

"Suspension" has the meaning set forth in Section 2.05(b).

"Underwritten Offering" means a Registration in which securities of the Company are sold to an underwriter or underwriters on a firm commitment basis for reoffering to the public.

"Underwritten Shelf Take-Down Notice" has the meaning set forth in Section 2.02(d)(ii).

"Underwritten Shelf Take-Down Company Notice" has the meaning set forth in Section 2.02(d)(iii).

Section 1.02. Other Interpretive Provisions. In this Agreement, except as otherwise provided:

(i) A reference to an Article or Section is a reference to an Article or Section of this Agreement, and references to this Agreement include any recital in this Agreement.

(ii) Headings and the Table of Contents are inserted for convenience only and shall not affect the construction or interpretation of this Agreement.

(iii) Unless the context otherwise requires, words importing the singular include the plural and vice versa, words importing the masculine include the feminine and vice versa, and words importing persons include corporations, associations, partnerships, joint ventures and limited liability companies and vice versa.

(iv) Unless the context otherwise requires, the words "hereof" and "herein," and words of similar meaning refer to this Agreement as a whole and not to any particular

Article, Section or clause. The words "include," "includes" and "including" shall be deemed to be followed by the words "without limitation."

(v) A reference to any legislation or to any provision of any legislation shall include any successor legislation and any amendment, modification or re-enactment thereof and any legislative provision substituted therefor.

(vi) All determinations to be made by the Company hereunder may be made in its sole discretion, and the Company may determine, in its sole discretion, whether or not to take actions that are permitted, but not required, by this Agreement to be taken by the Company, including the giving of consents required hereunder.

(b) The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intention or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

Article II

REGISTRATION RIGHTS

Section 1.01. Demand Registration.

(a) Demand Right. At or after the Effectiveness Date, if there is no currently effective Shelf Registration Statement on file with the SEC, then except as provided in Section 2.02(a), one or more Holders (the "Demand Holders") may, subject to Section 2.05(b), make a written request (a "Demand Notice") to the Company for Registration of all or part of the Registrable Securities held by such Demand Holders, provided that such number of Registrable Securities is at least equal to the Registrable Amount. Such registration shall be (i) on Form F-1 (a "Long-Form Registration") or (ii) on Form F-3 (a "Short-Form Registration") if the Company qualifies to use such short form for the Registration of such Registrable Securities on behalf of such Holders (any such requested Long-Form Registration or Short-Form Registration, a "Demand Registration"). Each Demand Notice shall specify the aggregate amount of Registrable Securities of the Demand Holders to be registered, the intended methods of disposition thereof and the identity of the Demand Holder(s). Subject to Section 2.05(b), after delivery of such Demand Notice, the Company (x) shall file promptly (and, in any event, within (i) ninety (90) days in the case of a request for a Long-Form Registration or (ii) thirty (30) days in the case of a request for a Short-Form Registration, in each case, following delivery of such Demand Notice) with the SEC a Registration Statement relating to such Demand Registration (a "Demand Registration Statement") (provided, however, that if a Demand Notice is delivered prior to the Effectiveness Date, the Company shall not be obligated to file (but shall be obligated to prepare) such Demand Registration Statement prior to the Effectiveness Date), and (y) shall use commercially reasonable efforts to cause such Demand Registration Statement to become effective under the Securities Act. There shall be no limit on the number of Demand Notices that Holders may be permitted to issue pursuant to this Section 2.01(a).

(b) Demand Withdrawal. Any Demand Holder (and any other Holder whose Registrable Securities are included in a Demand Registration pursuant to Section 2.01(d)) may withdraw its Registrable Securities from a Demand Registration at any time prior to the effectiveness of the applicable Demand Registration Statement. Upon delivery of a notice by all Demand Holders to such effect, the Company shall cease all efforts to secure effectiveness of the applicable Demand Registration Statement.

(c) Effective Registration. The Company shall be deemed to have effected a Demand Registration if the Demand Registration Statement becomes effective and remains effective for not less than one hundred and eighty (180) days (or such shorter period as shall terminate when all Registrable Securities covered by such Registration Statement have been sold or withdrawn), or if such Registration Statement relates to an Underwritten Offering, such longer period as, in the opinion of counsel for the underwriter or underwriters, a Prospectus is required by law to be delivered in connection with sales of Registrable Securities by an underwriter or dealer (the applicable period, the "Demand Period"). No Demand Registration shall be deemed to have been effected if (i) during the Demand Period such Registration or the successful completion of the relevant sale is prevented by any stop order, injunction or other order or requirement of the SEC or other governmental agency or court or (ii) the conditions to closing specified in the underwriting agreement, if any, entered into in connection with such Registration are not satisfied other than by reason of a wrongful act, misrepresentation or breach of such applicable underwriting agreement by the Demand Holders.

(d) Demand Company Notice. Subject to Section 2.05(b), promptly upon delivery of any Demand Notice (but in no event more than ten (10) calendar days thereafter), the Company shall deliver a written notice (a "Demand Company Notice") of any such Registration request to all Holders (other than the Demand Holders), and the Company shall include in such Demand Registration all such Registrable Securities of such Holders which the Company has received written requests for inclusion therein within ten (10) Business Days after the date that such Demand Company Notice has been delivered. All requests made pursuant to this Section 2.01(d) shall specify the aggregate amount of Registrable Securities of such Holder to be registered.

(e) Underwritten Offering. If the Demand Holders so request, an offering of Registrable Securities pursuant to a Demand Registration shall be in the form of an Underwritten Offering, and the Holders of a majority of the Registrable Securities included by the Demand Holders in the relevant Demand Notice shall have the right to select the managing underwriter or underwriters to administer the offering; provided that such managing underwriter or underwriters shall be acceptable to the Company (acting reasonably). If the Demand Holders intend to sell the Registrable Securities covered by their Demand Notice by means of an Underwritten Offering, such Demand Holders shall so advise the Company as part of their Demand Notice, and the Company shall include such information in the Demand Company Notice.

(f) Priority of Securities Registered Pursuant to Demand Registrations. If the managing underwriter or underwriters of any proposed Underwritten Offering of Registrable Securities included in a Demand Registration informs the Holders or the Company in writing that, in its or their opinion, the number of securities requested to be included in such Demand Registration exceeds the number that can be sold in such offering without being likely to have a significant adverse effect on the price, timing or distribution of the securities offered or the market for the securities offered, the securities to be included in such Demand Registration shall be allocated (i) first, pro rata among the Holders that have requested to participate in such Demand Registration based on the relative number of Registrable Securities then held by each such Holder; provided that any securities thereby allocated to a Holder that exceed such Holder's request shall be reallocated among the remaining requesting Holders in like manner; (ii) second, and only if all the Registrable Securities referred to in clause (i) have been included in such Demand Registration, to the Company up to the number of securities that the Company proposes to include in such Demand Registration that, in the opinion of the managing underwriter or underwriters, can be sold without having such adverse effect; and (iii) third, and only if all of the securities referred to in clause (ii) have been included in such Demand Registration, to those Persons holding any other securities eligible for inclusion in such Demand Registration, up to the number of securities that, in the opinion of the managing underwriter or underwriters, can be sold without having such adverse effect. The Company shall not include any securities other than

Registrable Securities in a Demand Registration, except with the written consent of the Demand Holders participating in such Demand Registration holding a majority of the Registrable Securities included in such Demand Registration by Demand Holders.

Section 1.02. Shelf Registration.

(a) Filing. At or after the Effectiveness Date and if the Company qualifies to use Short Form Registration, each Holder (the "Initiating Holder") may, subject to Section 2.05(b), make a written request (a "Shelf Notice") to the Company to file with the SEC a Shelf Registration Statement on Form F-3, which Shelf Notice shall specify the aggregate amount of Registrable Securities of the Initiating Holder to be registered therein and the intended methods of distribution thereof (any such requested Shelf Registration Statement, a "Shelf Registration"). Following the delivery of a Shelf Notice, the Company (x) shall file promptly (and, in any event, within thirty (30) days following delivery of such Shelf Notice) with the SEC such Shelf Registration Statement (which shall be an automatic Shelf Registration Statement if the Company qualifies at such time to file such a Shelf Registration Statement) relating to the offer and sale of all Registrable Securities by the Holders from time to time in accordance with the methods of distribution elected by such Holders and set forth in the Shelf Registration Statement (provided, however, that if a Shelf Notice is delivered prior to the Effectiveness Date, the Company shall not be obligated to file such Shelf Registration Statement prior to the Effectiveness Date) and (y) shall use commercially reasonable efforts to cause such Shelf Registration Statement to become effective under the Securities Act. If, on the date of any such request, the Company does not qualify to file a Shelf Registration Statement under the Securities Act, the provisions of this Section 2.02 shall not apply, and the provisions of Section 2.01 shall apply instead.

(b) Continued Effectiveness. The Company shall use commercially reasonable efforts to keep any Shelf Registration Statement filed pursuant to Section 2.02(a) continuously effective under the Securities Act in order to permit the Prospectus forming a part thereof to be usable in connection with any Shelf Take-Down until the earliest of (i) the date as of which all Registrable Securities have been sold pursuant to the Shelf Registration Statement or another Registration Statement filed under the Securities Act (but in no event prior to the applicable period referred to in Section 4(a)(3) of the Securities Act and Rule 174 thereunder) or otherwise cease to be Registrable Securities; (ii) the termination of this Agreement; and (iii) such shorter period as the Initiating Holder shall agree in writing.

(c) Company Notices. Promptly upon delivery of any Shelf Notice pursuant to Section 2.02(a) (but in no event more than ten (10) Business Days after delivery of the Shelf Notice), the Company shall deliver a written notice of such Shelf Notice to all Holders other than the Initiating Holder, and the Company shall include in such Shelf Registration all such Registrable Securities of such Holders which the Company has received written requests for inclusion therein within five (5) Business Days after such written notice is delivered to such Holders (each such Holder delivering such a request, together with the Initiating Holder, a "Shelf Holder").

(d) Shelf Take-Downs.

(i) An offering or sale of Registrable Securities pursuant to a Shelf Registration Statement (each, a "Shelf Take-Down") may, subject to Section 2.05(b), be initiated at any time by any Holder (the "Initiating Shelf Take-Down Holder") by notice to the Company (the "Shelf Take-Down Notice"), provided that the Shelf Take-Down relates to a number of Registrable Securities at least equal to the Registrable Amount. Except as set forth in Section 2.02(d)(iii), the Initiating Shelf Take-Down Holder shall not be required to permit the offer and sale of Registrable Securities by other Shelf

Holders in connection with any such Shelf Take-Down initiated by the Initiating Shelf Take-Down Holder and no Shelf Holder shall be entitled to offer or sell any Registrable Securities pursuant to such Shelf Registration Statement, except in connection with any Shelf Take-Down initiated by the Initiating Shelf Take-Down Holder.

(ii) If the Initiating Shelf Take-Down Holder elects by written request to the Company, a Shelf Take-Down shall be in the form of an Underwritten Offering (such written request, an "Underwritten Shelf Take-Down Notice") and the Company shall amend or supplement the Shelf Registration Statement for such purpose as soon as practicable. The Initiating Shelf Take-Down Holder shall have the right to select the managing underwriter or underwriters to administer such offering; provided that such managing underwriter or underwriters shall be acceptable to the Company (acting reasonably). The Initiating Shelf Take-Down Holder shall indicate whether the Underwritten Shelf-Take Down Notice relates to a Marketed Underwritten Shelf Take-Down.

(iii) Promptly upon delivery of such Underwritten Shelf Take-Down Notice (but in no event more than two (2) Business Days thereafter), the Company shall promptly deliver a written notice (a "Underwritten Shelf Take-Down Company Notice") of such Shelf Take-Down to all Shelf Holders (other than the Initiating Shelf Take-Down Holder), and the Company shall include in such Shelf Take-Down all such Registrable Securities of such Shelf Holders that are Registered on such Shelf Registration Statement for which the Company has received written requests, which requests must specify the aggregate amount of such Registrable Securities of such Holder to be offered and sold pursuant to such Shelf Take-Down, for inclusion therein within two (2) Business Days after the date that such Underwritten Shelf Take-Down Company Notice has been delivered.

(iv) If the managing underwriter or underwriters of any proposed Underwritten Offering of Registrable Securities included in a Shelf Take-Down informs the Holders or the Company in writing that, in its or their opinion, the number of securities requested to be included in such Shelf Take-Down exceeds the number that can be sold in such offering without being likely to have a significant adverse effect on the price, timing or distribution of the securities offered or the market for the securities offered, the securities to be included in such Shelf Take-Down shall be allocated (i) first, pro rata among the Shelf Holders that have requested to participate in such Shelf Take-Down based on the relative number of Registrable Securities then held by each such Shelf Holder; provided that any securities thereby allocated to a Shelf Holder that exceed such Shelf Holder's request shall be reallocated among the remaining requesting Shelf Holders in like manner; (ii) second, and only if all the Registrable Securities referred to in clause (i) have been included in such Shelf Take-Down, to the Company up to the number of securities that the Company proposes to include in such Shelf Take-Down that, in the opinion of the managing underwriter or underwriters, can be sold without having such adverse effect; (iii) third, and only if all of the securities referred to in clause (ii) have been included in such Shelf Take-Down, to those Persons holding any other securities eligible for inclusion in such Shelf Take-Down, up to the number of securities that in the opinion of the managing underwriter or underwriters, can be sold without having such adverse effect. The Company shall not include any securities other than Registrable Securities in a Shelf Take-Down, except with the written consent of the Initiating Shelf Take-Down Holder.

Section 1.03. Piggyback Registration.

(a) Participation. If the Company at any time at or after the IPO, for its own account or for the account of any other Persons, proposes to file a Registration Statement with respect to any offering of its equity securities or conduct an Underwritten Offering pursuant to an existing Registration Statement (other than (i) a Demand Registration or Shelf Take-Down under Section 2.01 or Section 2.02, it being understood that this clause (i) does not limit the rights of Holders to make written requests pursuant to Section 2.01 or Section 2.02, or otherwise limit the applicability thereof; (ii) a Registration Statement on Form F-4 or S-8 (or such other similar successor forms then in effect under the Securities Act); (iii) a registration of securities solely relating to an offering and sale to employees, directors or consultants of the Company or its Subsidiaries pursuant to any employee stock plan or other employee benefit plan arrangement; (iv) a registration not otherwise covered by clause (ii) above pursuant to which the Company is offering to exchange its own securities for other securities; (v) a Registration Statement relating solely to dividend reinvestment or similar plans; or (vi) a Registration on any registration form which does not permit secondary sales or does not include substantially the same information as would be required to be included in a Registration Statement), then, as soon as practicable (but in no event less than ten (10) Business Days prior to the proposed date of filing of such Registration Statement or, in the case of any such Underwritten Offering, the anticipated pricing date), the Company shall deliver a written notice of such proposed filing or offering to all Holders, and such notice shall offer such Holders the opportunity to Register under such Registration Statement or include in such offering such number of Registrable Securities as such Holders may request in writing delivered to the Company within five (5) Business Days after the date that such written notice has been delivered. Subject to Section 2.03(b), the Company shall include in such Registration Statement or offering all such Registrable Securities that are requested by Holders to be included therein in compliance with the immediately foregoing sentence (a "Piggyback Registration"); provided that if at any time after giving written notice of its intention to Register any equity securities and prior to the effective date of the Registration Statement filed in connection with such Piggyback Registration or the pricing date of such offering, as applicable, the Company shall determine for any reason not to Register or sell or to delay Registration or offering of the equity securities covered by such Piggyback Registration, the Company shall give written notice of such determination to each Holder that had requested to Register its, his or her Registrable Securities in such Registration Statement and, thereupon, (1) in the case of a determination not to Register, shall be relieved of its obligation to Register or sell any Registrable Securities in connection with such Registration or offering (but not from its obligation to pay the Registration Expenses in connection therewith), and (2) in the case of a determination to delay Registering or selling, in the absence of a request by any Holder to request that such Registration be effected as a Demand Registration under Section 2.01(a), shall be permitted to delay Registering or selling any Registrable Securities, for the same period as the delay in Registering or selling the other equity securities covered by such Piggyback Registration. If the offering pursuant to such Registration Statement is to be underwritten, the Company shall so advise the Holders as a part of the written notice given pursuant to this Section 2.03(a), the Company shall make such arrangements with the managing underwriter or underwriters so that each Holder may participate in such Underwritten Offering, subject to the conditions of Section 2.03(b). If the offering pursuant to such Registration Statement is to be on any other basis, the Company shall so advise the Holders as part of the written notice given pursuant to this Section 2.03(a), and each Holder making a request for a Piggyback Registration pursuant to this Section 2.03(a) must, and the Company shall make such arrangements so that each such Holder may, participate in such offering on such basis, subject to the conditions of Section 2.03(b).

Each Holder shall keep confidential the fact that a Piggyback Registration is in effect, the written notice referred to above and its contents unless and until otherwise notified by the Company, except (i) disclosures that are necessary to comply with any law, rule or

regulation, including formal and informal investigations or requests from any regulatory authority and (ii) if and to the extent such matters are publicly disclosed by the Company.

(b) Priority of Piggyback Registration. If the managing underwriter or underwriters of any proposed Underwritten Offering of Registrable Securities included in a Piggyback Registration informs the Company, in writing that, in its or their opinion, the number of securities requested to be included in such offering exceeds the number that can be sold in such Piggyback Registration without being likely to have a significant adverse effect on the price, timing or distribution of the securities offered or the market for the securities offered, the securities to be included in such Piggyback Registration shall be allocated (i) first, 100% of the securities that the Company proposes to sell; and (ii) second, and only if all the securities referred to in clause (i) have been included, the number of Registrable Securities that, in the opinion of such managing underwriter or underwriters, can be sold without having such adverse effect in such Registration or offering, with such number to be allocated pro rata among the Holders that have requested to participate in such Piggyback Registration based on the relative number of Registrable Securities then held by each such Holder; provided that any securities thereby allocated to a Holder that exceed such Holder's request shall be reallocated among the remaining requesting Holders in like manner; and (iii) third, and only if all of the Registrable Securities referred to in clause (ii) have been included, to those Persons holding any other securities eligible for inclusion in such Piggyback Registration, up to the number of securities that in the opinion of the managing underwriter or underwriters, can be sold without having such adverse effect.

(c) No Effect on Demand Registrations. No Registration of Registrable Securities effected pursuant to a request under this Section 2.03 shall be deemed to have been effected pursuant to Section 2.01 or Section 2.02 or shall relieve the Company of its obligations under Section 2.01 or Section 2.02.

Section 1.04. Existing Registration Statements. Notwithstanding anything herein to the contrary and subject to applicable law and regulation, the Company may satisfy any obligation hereunder to file a Registration Statement or to have a Registration Statement become effective by a specified date by designating, by notice to the Holders, a registration statement that previously has been filed with the SEC or become effective, as the case may be, as the relevant Registration Statement for purposes of satisfying such obligation, and all references to any such obligation shall be construed accordingly; provided, that such previously filed registration statement may be amended to add the number of Registrable Securities, and, to the extent necessary, to identify as selling shareholders those Holders demanding the filing of a Registration Statement pursuant to the terms of this Agreement. To the extent this Agreement refers to the filing or effectiveness of other registration statements by or at a specified time and the Company has, in lieu of then filing such registration statements or having such registration statements become effective, designated a previously filed or effective registration statement as the relevant registration statement for such purposes in accordance with the preceding sentence, such references shall be construed to refer to such designated registration statement.

Section 1.05. Market Stand-Off and Suspensions.

(a) Market Stand-Off for the Company and Others. In the case of an offering of Registrable Securities pursuant to Section 2.01 or Section 2.02 that is an Underwritten Offering, the Company and each of the Holders agree, if requested by the managing underwriter or underwriters with respect to such Underwritten Offering, not (1) offer for sale, sell, pledge, or otherwise dispose of (or enter into any transaction or device that is designed to, or could be expected to, result in the disposition by any person at any time in the future of) any Company Shares (including Company Shares that may be deemed to be beneficially owned by the

undersigned in accordance with the rules and regulations of the SEC and Company Shares that may be issued upon exercise of any options or warrants) or securities convertible into or exercisable or exchangeable for Company Shares; (2) enter into any swap or other derivatives transaction that transfers to another, in whole or in part, any of the economic benefits or risks of ownership of Company Shares, whether any such transaction is to be settled by delivery of Company Shares or other securities, in cash or otherwise; (3) make any demand for or exercise any right or cause to be filed a Registration Statement, including any amendments thereto, with respect to the registration of any Company Shares or securities convertible into or exercisable or exchangeable for Company Shares or any other securities of the Company; or (4) publicly disclose the intention to do any of the foregoing, in each case, during the period beginning seven (7) days before, and ending sixty (60) days (or such lesser period as may be agreed by, if applicable, the managing underwriter or underwriters) (or such other period as may be reasonably requested by the managing underwriter or underwriters to accommodate regulatory restrictions on (i) the publication or other distribution of research reports and (ii) analyst recommendations and opinions, including, but not limited to, the restrictions contained in the FINRA rules or any successor provisions or amendments thereto) after the date of the underwriting agreement entered into in connection with such Underwritten Offering, to the extent timely notified in writing by the managing underwriter or underwriters. Notwithstanding the foregoing, the Company may effect a public sale or distribution of securities of the type described above and during the periods described above if such sale or distribution is made pursuant to Registrations on Form F-4 or S-8 or any successor form to such forms or as part of any Registration of securities for offering and sale to employees, directors or consultants of the Company and its Subsidiaries pursuant to any employee stock plan or other employee benefit plan arrangement.

(b) Delay in Filing; Suspension of Registration. If the filing, initial effectiveness or continued use of a Demand Registration Statement or Shelf Registration Statement at any time would, in the Board of Directors' good faith judgment, after consultation with counsel, require the Company to make an Adverse Disclosure or otherwise materially interfere with a significant acquisition, corporate reorganization or other similar transaction involving the Company, the Company may, upon giving prompt written notice to the Holders, delay the filing or initial effectiveness of, or suspend use of, such Demand Registration Statement or Shelf Registration Statement (a "Suspension"); provided, that the Company shall not be permitted to exercise a Suspension (i) that exceeds sixty (60) days on any one occasion or (ii) for more than ninety (90) days in the aggregate in any twelve (12)-month period, and shall not be permitted to exercise more than two (2) Suspensions in the aggregate in any twelve (12)-month period. In the case of a Suspension, the Holders agree to suspend use of the applicable Prospectus and any Free Writing Prospectuses in connection with any sale or purchase of, or offer to sell or purchase, Registrable Securities, upon receipt of the notice referred to above. The Company shall immediately notify the Holders upon the termination of any Suspension, amend or supplement the Prospectus or any Free Writing Prospectus, if necessary, so it does not contain any untrue statement or omission and furnish to the Holders such numbers of copies of the Prospectus as so amended or supplemented or any Free Writing Prospectus as the Holders may reasonably request. The Company shall, if necessary, supplement or make amendments to the Demand Registration Statement or Shelf Registration Statement, if required by the registration form used by the Company for the Demand Registration or Shelf Registration, as applicable, or by the instructions applicable to such registration form or by the Securities Act or the rules or regulations promulgated thereunder or as may reasonably be requested by the Requesting Holder(s), as the case may be.

Each Holder shall keep confidential the fact that a Suspension is in effect, the written notice referred to above and its contents unless and until otherwise notified by the Company, except (i) disclosures that are necessary to comply with any law, rule or regulation,

including formal and informal investigations or requests from any regulatory authority and (ii) if and to the extent such matters are publicly disclosed by the Company.

Section 1.06. Registration Procedures.

(a) In connection with the Company's Registration obligations under Section 2.01, Section 2.02 and Section 2.03 and subject to the applicable terms and conditions set forth therein, the Company shall use commercially reasonable efforts to effect such Registration to permit the sale of such Registrable Securities with respect to this Agreement in accordance with the intended method or methods of distribution thereof as expeditiously as reasonably practicable, and in connection therewith the Company shall:

(i) prepare the required Registration Statement including all exhibits and financial statements required under the Securities Act to be filed therewith, and before filing a Registration Statement, Prospectus or any Free Writing Prospectus, or any amendments or supplements thereto, (x) furnish to the underwriters, if any, and the Participating Holders, if any, copies of all such documents, which documents shall be subject to the review of such underwriters and any Participating Holders and their respective counsel and (y) except in the case of a Registration under Section 2.03, not file any Registration Statement or Prospectus or amendments or supplements thereto to or use any Free Writing Prospectus to which a Participating Holder or the underwriters, if any, shall reasonably object;

(ii) as promptly as practicable file with the SEC a Registration Statement relating to the Registrable Securities, including all exhibits and financial statements required by the SEC to be filed therewith, and use commercially reasonable efforts to cause such Registration Statement to become effective under the Securities Act as soon as practicable;

(iii) prepare and file with the SEC such pre- and post-effective amendments to such Registration Statement, supplements or amendments to the Prospectus and such amendments or supplements to any Free Writing Prospectus as may be (A) reasonably requested by any Participating Holder (to the extent such request relates to information relating to such Holder), or (B) necessary to keep such Registration effective for the period of time required by this Agreement, and comply with provisions of the applicable securities laws with respect to the sale or other disposition of all securities covered by such Registration Statement during such period in accordance with the intended method or methods of disposition by the sellers thereof set forth in such Registration Statement;

(iv) notify the Participating Holders and the managing underwriter or underwriters, if any, and (if requested) confirm such advice in writing and provide copies of the relevant documents, as soon as reasonably practicable after notice thereof is received by the Company (A) when the applicable Registration Statement or any amendment thereto has been filed or becomes effective, and when the applicable Prospectus, any amendment or supplement to such Prospectus, any Free Writing Prospectus or any amendment or supplement thereto has been filed, (B) of any written comments by the SEC or any request by the SEC or any other federal or state Governmental Authority for amendments or supplements to such Registration Statement, Prospectus or Free Writing Prospectus or for additional information, (C) of the issuance by the SEC of any stop order suspending the effectiveness of such Registration Statement or any order by the SEC or any other regulatory authority preventing or suspending the use of any preliminary or final Prospectus or any Free Writing Prospectus or the initiation or threatening of any proceedings for such purposes, (D) if, at any time, the representations and warranties of the Company in any applicable underwriting agreement

cease to be true and correct in all material respects, (E) of the receipt by the Company of any notification with respect to the suspension of the qualification of the Registrable Securities for offering or sale in any jurisdiction and (F) of the receipt by the Company of any notification with respect to the initiation or threatening of any proceeding for the suspension of the qualification of the Registrable Securities for offering or sale in any jurisdiction;

(v) promptly notify the Participating Holders and the managing underwriter or underwriters, if any, when the Company becomes aware of the happening of any event as a result of which the applicable Registration Statement, the Prospectus included in such Registration Statement (as then in effect) or any Free Writing Prospectus contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements therein (in the case of such Prospectus, any preliminary Prospectus or any Free Writing Prospectus, in light of the circumstances under which they were made) not misleading, when any Free Writing Prospectus includes information that may conflict with the information contained in the Registration Statement, or, if for any other reason it shall be necessary during such time period to amend or supplement such Registration Statement, Prospectus or Free Writing Prospectus in order to comply with the Securities Act and, in either case as promptly as reasonably practicable thereafter, prepare and file with the SEC, and furnish without charge to the Participating Holders and the managing underwriter or underwriters, if any, an amendment or supplement to such Registration Statement, Prospectus or Free Writing Prospectus which shall correct such misstatement or omission or effect such compliance;

(vi) use commercially reasonable efforts to prevent, or obtain the withdrawal of, any stop order or other order or notice suspending the use of any preliminary or final Prospectus or any Free Writing Prospectus;

(vii) promptly incorporate in a Prospectus supplement, Free Writing Prospectus or post-effective amendment to the applicable Registration Statement such information as the managing underwriter or underwriters and the Participating Holder(s) agree should be included therein relating to the plan of distribution with respect to such Registrable Securities and make all required filings of such Prospectus supplement, Free Writing Prospectus or post-effective amendment as soon as reasonably practicable after being notified of the matters to be incorporated in such Prospectus supplement, Free Writing Prospectus or post-effective amendment;

(viii) furnish to each Participating Holder and each underwriter, if any, without charge, as many conformed copies as such Holder or underwriter may reasonably request of the applicable Registration Statement and any amendment or post-effective amendment thereto, including financial statements and schedules, all documents incorporated therein by reference and all exhibits (including those incorporated by reference);

(ix) deliver to each Participating Holder and each underwriter, if any, without charge, as many copies of the applicable Prospectus (including each preliminary Prospectus), any Free Writing Prospectus and any amendment or supplement thereto as such Holder or underwriter may reasonably request (it being understood that the Company consents to the use of such Prospectus, any Free Writing Prospectus and any amendment or supplement thereto by such Holder and the underwriters, if any, in connection with the offering and sale of the Registrable Securities covered by such Prospectus or any amendment or supplement thereto) and such other documents as such Holder or underwriter may reasonably request in order to facilitate the disposition of the on or prior to the date on which the applicable Registration Statement becomes effective,

use commercially reasonable efforts to register or qualify, and cooperate with the Participating Holders, the managing underwriter or underwriters, if any, and their respective counsel, in connection with the registration or qualification of such Registrable Securities for offer and sale under the securities or "Blue Sky" laws of each state and other jurisdiction of the United States as any Participating Holder or managing underwriter or underwriters, if any, or their respective counsel reasonably request in writing and do any and all other acts or things reasonably necessary or advisable to keep such registration or qualification in effect for such period as required by Section 2.01(c) or Section 2.02(b) whichever is applicable, provided that the Company shall not be required to qualify generally to do business in any jurisdiction where it is not then so qualified or to take any action which would subject it to taxation or general service of process in any such jurisdiction where it is not then so subject;

(x) cooperate with the Participating Holders and the managing underwriter or underwriters, if any, to facilitate the timely preparation and delivery of certificates representing Registrable Securities to be sold and not bearing any restrictive legends, and enable Registrable Securities to be in such denominations and registered in such names as the managing underwriters may request at least two (2) Business Days prior to any sale of Registrable Securities to the underwriters;

(xi) use commercially reasonable efforts to cause the Registrable Securities covered by the applicable Registration Statement to be registered with or approved by such other governmental agencies or authorities as may be necessary to enable the seller or sellers thereof or the underwriter or underwriters, if any, to consummate the disposition of such Registrable Securities;

(xii) not later than the effective date of the applicable Registration Statement, provide a CUSIP number for all Registrable Securities and provide the applicable transfer agent with printed certificates for the Registrable Securities which are in a form eligible for deposit with The Depository Trust Company;

(xiii) make such representations and warranties to the Participating Holders and the underwriters or agents, if any, in form, substance and scope as are customarily made by issuers in secondary underwritten public offerings;

(xiv) enter into such customary agreements (including underwriting and indemnification agreements) and take all such other actions as any Participating Holder or the managing underwriter or underwriters, if any, reasonably request in order to expedite or facilitate the registration and disposition of such Registrable Securities;

(xv) obtain for delivery to the Participating Holders and to the underwriter or underwriters, if any, an opinion or opinions from counsel for the Company dated the effective date of the Registration Statement or, in the event of an Underwritten Offering, the date of the closing under the underwriting agreement, in customary form, scope and substance, which opinions shall be reasonably satisfactory to such Holders or underwriters, as the case may be, and their respective counsel;

(xvi) in the case of an Underwritten Offering, obtain for delivery to the Company and the managing underwriter or underwriters, with copies to the Participating Holders, a cold comfort letter from the Company's independent certified public accountants in customary form and covering such matters of the type customarily covered by cold comfort letters as the managing underwriter or underwriters reasonably request, dated the date of execution of the underwriting agreement and brought down to the closing under the underwriting agreement;

(xvii) cooperate with each Participating Holder and each underwriter, if any, participating in the disposition of such Registrable Securities and their respective counsel in connection with any filings required to be made with FINRA;

(xviii) use commercially reasonable efforts to comply with all applicable securities laws and make available to its security holders, as soon as reasonably practicable, an earnings statement satisfying the provisions of Section 11(a) of the Securities Act and the rules and regulations promulgated thereunder;

(xix) provide and cause to be maintained a transfer agent and registrar for all Registrable Securities covered by the applicable Registration Statement from and after a date not later than the effective date of such Registration Statement;

(xx) use commercially reasonable efforts to cause all Registrable Securities covered by the applicable Registration Statement to be listed on each securities exchange on which any of the Company Shares are then listed or quoted and on each inter-dealer quotation system on which any of the Company Shares are then quoted;

(xxi) make available upon reasonable notice at reasonable times and for reasonable periods for inspection by any Participating Holder, by any underwriter participating in any disposition to be effected pursuant to such Registration Statement and by any attorney, accountant, professional advisor or other agent retained by any such underwriter, all pertinent financial and other records, pertinent corporate documents and properties of the Company, and cause all of the Company's officers, directors and employees and the independent public accountants who have certified its financial statements to make themselves available to discuss the business of the Company and to supply all information reasonably requested by any such Person in connection with such Registration Statement as shall be necessary to enable them to exercise their due diligence responsibility; provided that any such Person gaining access to information regarding the Company pursuant to this Section 2.06(a)(xxi) shall agree to hold in strict confidence and shall not make any disclosure other than disclosures of such information to such Person's Affiliates, its and their respective employees, agents and professional advisors who reasonably need to know such information for the purpose of assisting such Person with respect to participating in the offering pursuant to such Registration Statement or use any information regarding the Company that the Company determines in good faith to be confidential, and of which determination such Person is notified, unless (t) the release of such information is requested or required by law or by deposition, interrogatory, requests for information or documents by a governmental entity, subpoena or similar process, including formal and informal investigations or requests from any regulatory authority, (u) such information is or becomes publicly known other than through a breach of this or any other agreement of which such Person has actual knowledge, (v) such information is or becomes available to such Person on a non-confidential basis from a source other than the Company, (w) such information is independently developed by such Person, (x) the release of such information is required in order for such Person to comply with reporting obligations to limited partners or other direct or indirect investors who have agreed to keep such information confidential, (y) the release of such information is to potential limited partners or investors of such Person who have agreed to keep such information confidential or (z) the release of such information is to potential transferees of such Person's Registrable Securities who have agreed to keep such information confidential;

(xxii) in the case of an Underwritten Offering, cause the senior executive officers of the Company to participate in a customary "road show" presentation that may be reasonably requested by the managing underwriter or underwriters in any such

Underwritten Offering and otherwise to facilitate, cooperate with, and participate in each proposed offering contemplated herein and customary selling efforts related thereto;

(xxiii) take no direct or indirect action prohibited by Regulation M under the Exchange Act;

(xxiv) take all reasonable action to ensure that any Free Writing Prospectus utilized in connection with any registration covered by Section 2.01, Section 2.02 or Section 2.03 complies in all material respects with the Securities Act, is filed in accordance with the Securities Act to the extent required thereby, is retained in accordance with the Securities Act to the extent required thereby and, when taken together with the related Prospectus, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(xxv) take all reasonable actions to ensure that the information available to investors at the time of pricing includes all information required by applicable law (including the information required by Sections 12(a)(2) and 17(a)(2) of the Securities Act); and

(xxvi) take all such other commercially reasonable actions as are necessary or advisable in order to expedite or facilitate the disposition of such Registrable Securities in accordance with the terms hereof.

(b) If the Company files any Shelf Registration Statement, the Company agrees that it shall include in such Shelf Registration Statement such disclosures as may be required by Rule 430B under the Securities Act (referring to the unnamed selling security holders in a generic manner by identifying the initial offering of the securities to the Holders) in order to ensure that the Holders may be added to such Shelf Registration Statement at a later time through the filing of a prospectus supplement rather than a post-effective amendment.

(c) The Company may require each Participating Holder to furnish to the Company such information regarding the distribution of such securities and such other information relating to such Holder and its ownership of Registrable Securities as the Company may from time to time reasonably request in writing and the Company may exclude from such registration the Registrable Securities of any Participating Holder who unreasonably fails to furnish such information within a reasonable time after receiving such request. Each Participating Holder agrees to furnish such information to the Company and to cooperate with the Company as reasonably necessary to enable the Company to comply with the provisions of this Agreement.

(d) Each Participating Holder agrees that, upon delivery of any notice by the Company of the happening of any event of the kind described in Section 2.06(a)(iv)(C), (D), or (E) or Section 2.06(a)(v), such Holder will forthwith discontinue disposition of Registrable Securities pursuant to such Registration Statement until (i) such Holder's receipt of the copies of the supplemented or amended Prospectus or Free Writing Prospectus, as the case may be, contemplated by Section 2.06(a)(v), (ii) such Holder is advised in writing by the Company that the use of the Prospectus or Free Writing Prospectus, as the case may be, may be resumed, and has received copies of any additional or supplemental filings that are incorporated by reference in the Prospectus or such Free Writing Prospectus or any amendments or supplements thereto, (iii) such Holder is advised in writing by the Company of the termination, expiration or cessation of such order or suspension referenced in Section 2.06(a)(iv) or (iv) such Holder is advised in writing by the Company that the representations and warranties of the Company in such applicable underwriting agreement are true and correct in all material respects. If so directed by

the Company, such Holder shall deliver to the Company (at the Company's expense) all copies, other than permanent file copies then in such Holder's possession, of the Prospectus or any Free Writing Prospectus covering such Registrable Securities current at the time of delivery of such notice. In the event the Company shall give any such notice, the period during which the applicable Registration Statement is required to be maintained effective shall be extended by the number of days during the period from and including the date of the giving of such notice to and including the date when each seller of Registrable Securities covered by such Registration Statement either receives the copies of the supplemented or amended Prospectus or Free Writing Prospectus contemplated by Section 2.06(a)(v) or is advised in writing by the Company that the use of the Prospectus or Free Writing Prospectus may be resumed.

Section 1.07. Underwritten Offerings.

(a) Demand and Shelf Registrations. If requested by the underwriters for any Underwritten Offering requested by a Holder pursuant to a Registration under Section 2.01 or Section 2.02, the Company shall enter into an underwriting agreement with such underwriters for such offering, such agreement to be reasonably satisfactory in substance and form to the Company, the Participating Holders and the underwriters, and to contain such representations and warranties by the Company and such other terms as are generally prevailing in agreements of that type, including indemnities no less favorable to the recipient thereof than those provided in Section 2.10. The Participating Holders shall cooperate with the Company in the negotiation of such underwriting agreement and shall give consideration to the reasonable suggestions of the Company regarding the form thereof. The Participating Holders shall be parties to such underwriting agreement, which underwriting agreement shall (i) contain such representations and warranties by, and the other agreements on the part of, the Company to and for the benefit of such Participating Holders as are customarily made by issuers to selling shareholders in secondary underwritten public offerings and (ii) provide that any or all of the conditions precedent to the obligations of such underwriters under such underwriting agreement also shall be conditions precedent to the obligations of such Participating Holders. Any such Participating Holder shall not be required to make any representations or warranties to or agreements with the Company or the underwriters in connection with such underwriting agreement other than representations, warranties or agreements regarding such Participating Holder, such Participating Holder's title to the Registrable Securities, such Participating Holder's authority to sell the Registrable Securities, such Participating Holder's intended method of distribution, absence of liens with respect to the Registrable Securities, enforceability of the applicable underwriting agreement as against such Participating Holder, receipt of all consents and approvals with respect to the entry into such underwriting agreement and the sale of such Registrable Securities by such Participating Holder and any other representations required to be made by such Participating Holder under applicable law, rule or regulation. The aggregate amount of the liability of such Participating Holder in connection with such underwriting agreement shall not exceed such Participating Holder's gross proceeds from such Underwritten Offering (less underwriting discounts and commissions).

(b) Piggyback Registrations. If the Company proposes to register any of its securities under the Securities Act as contemplated by Section 2.03 and such securities are to be distributed in an Underwritten Offering through one or more underwriters, the Company shall, if requested by any Holder pursuant to Section 2.03 and subject to the provisions of Section 2.03(b), use commercially reasonable efforts to arrange for such underwriters to include on the same terms and conditions that apply to the other sellers in such Registration all the Registrable Securities to be offered and sold by such Holder among the securities of the Company to be distributed by such underwriters in such Registration. The Participating Holders shall be parties to the underwriting agreement between the Company and such underwriters, which underwriting agreement shall (i) contain such representations and warranties by, and the other agreements on the part of, the Company to and for the benefit of such Participating Holders

as are customarily made by issuers to selling shareholders in secondary underwritten public offerings and (ii) provide that any or all of the conditions precedent to the obligations of such underwriters under such underwriting agreement also shall be conditions precedent to the obligations of such Participating Holders. Any such Participating Holder shall not be required to make any representations or warranties to, or agreements with the Company or the underwriters in connection with such underwriting agreement other than representations, warranties or agreements regarding such Participating Holder, such Participating Holder's title to the Registrable Securities, such Participating Holder's authority to sell the Registrable Securities, such Holder's intended method of distribution, absence of liens with respect to the Registrable Securities, enforceability of the applicable underwriting agreement as against such Participating Holder, receipt of all consents and approvals with respect to the entry into such underwriting agreement and the sale of such Registrable Securities by such Participating Holder or any other representations required to be made by such Participating Holder under applicable law, rule or regulation. The aggregate amount of the liability of such Participating Holder in connection with such underwriting agreement shall not exceed such Participating Holder's gross proceeds from such Underwritten Offering (less underwriting discounts and commissions).

(c) Participation in Underwritten Registrations. Subject to the provisions of Section 2.07(a) and Section 2.07(b) above, no Person may participate in any Underwritten Offering hereunder unless such Person (i) agrees to sell such Person's securities on the basis provided in any underwriting arrangements approved by the Company and the Persons entitled to select the managing underwriter or managing underwriters hereunder and (ii) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents required under the terms of such underwriting arrangements.

(d) Price and Underwriting Discounts. In the case of an Underwritten Offering under Section 2.01 or Section 2.02, the price, underwriting discount and other financial terms for the Registrable Securities shall be determined by the Participating Holder(s) in such Registration. In addition, in the case of any Underwritten Offering, each of the Holders may withdraw their request to participate in the registration pursuant to Section 2.01after being advised of such price, discount and other terms and shall not be required to enter into any agreements or documentation that would require otherwise.

Section 1.08. No Inconsistent Agreements; Additional Rights. The Company is not currently a party to, and shall not hereafter enter into without the prior written consent of the Holders, any agreement with respect to its securities that is inconsistent with the rights granted to the Holders by this Agreement.

Section 1.09. Registration Expenses. All expenses incident to the Company’s performance of or compliance with this Agreement shall be paid by the Company, including (i) all registration and filing fees, and any other fees and expenses associated with filings required to be made with the SEC and FINRA, (ii) all fees and expenses in connection with compliance with any securities or “Blue Sky” laws, (iii) all printing, duplicating, word processing, messenger, telephone, facsimile and delivery expenses (including expenses of Prospectuses and Free Writing Prospectuses), (iv) all fees and disbursements of counsel for the Company and of all independent certified public accountants of the Company (including the expenses of any special audit and cold comfort letters required by or incident to such performance), (v) Securities Act liability insurance or similar insurance if the Company so desires or the underwriters so require in accordance with then-customary underwriting practice, (vi) all fees and expenses incurred in connection with the listing of Registrable Securities on any securities exchange or quotation of the Registrable Securities on any inter-dealer quotation system, (vii) up to $150,000 in reasonable fees and disbursements of one legal counsel as selected by the Holders of a majority of the Registrable Securities included in such Registration, (viii) subject to the last sentence of this Section

2.09, any reasonable fees and disbursements of underwriters customarily paid by issuers or sellers of securities, (ix) all fees and expenses of any special experts or other Persons retained by the Company in connection with any Registration, (x) all of the Company's internal expenses (including all salaries and expenses of its officers and employees performing legal or accounting duties), (xi) all expenses related to the "road-show" for any Underwritten Offering, including all travel, meals and lodging, and (xii) any other fees and disbursements customarily paid by the issuers of securities. All such expenses are referred to herein as "Registration Expenses." The Company shall not be required to pay any underwriting discounts and commissions and transfer taxes, if any, attributable to the sale of Registrable Securities.

Section 1.10. Indemnification.

(a) Indemnification by the Company. The Company agrees to indemnify and hold harmless, to the fullest extent permitted by law, each of the Holders and each of their respective Representatives from and against any and all losses, penalties, judgments, suits, costs, claims, damages, liabilities and expenses, whether joint or several (including reasonable costs of investigation and legal expenses) (each, a "Loss" and collectively "Losses"), arising out of or based upon (i) any untrue or alleged untrue statement of a material fact contained in any Registration Statement under which such Registrable Securities were Registered under the Securities Act (including any final, preliminary or summary Prospectus contained therein or any amendment or supplement thereto or any documents incorporated by reference therein, any Free Writing Prospectus or amendment or supplement thereto, or any other disclosure document produced by or on behalf of the Company or any of its Subsidiaries including reports and other documents filed under the Exchange Act), (ii) any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein (in the case of a Prospectus, preliminary Prospectus or Free Writing Prospectus, in light of the circumstances under which they were made) not misleading, and (iii) any actions or inactions or proceedings in respect of the foregoing whether or not such indemnified party is a party thereto; provided, that the Company shall not be liable to any particular indemnified party to the extent that any such Loss arises out of or is based upon (A) an untrue statement or alleged untrue statement or omission or alleged omission made in any such Registration Statement or other document in reliance upon and in conformity with written information furnished to the Company by such indemnified party expressly for use in the preparation thereof or (B) an untrue statement or omission in a preliminary Prospectus relating to Registrable Securities, if a Prospectus (as then amended or supplemented) that would have cured the defect was furnished to the indemnified party from whom the Person asserting the claim giving rise to such Loss purchased Registrable Securities at least five (5) Business Days prior to the written confirmation of the sale of the Registrable Securities to such Person and a copy of such Prospectus (as amended and supplemented) was not sent or given by or on behalf of such indemnified party to such Person at or prior to the written confirmation of the sale of the Registrable Securities to such Person. This indemnity shall be in addition to any liability the Company may otherwise have to any such indemnified person. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of such Holder or any indemnified party and shall survive the transfer of such securities by such Holder. The Company shall also indemnify underwriters, selling brokers, dealer managers and similar securities industry professionals participating in the distribution, their officers and directors and each Person who controls such Persons (within the meaning of the Securities Act and the Exchange Act) to the same extent as provided above with respect to the indemnification of the indemnified parties.

(b) Indemnification by the Participating Holders. Each Participating Holder agrees (severally and not jointly) to indemnify and hold harmless, to the fullest extent permitted by law, the Company, its directors and officers and each Person who controls the Company (within the meaning of the Securities Act or the Exchange Act), and each other Holder, and each

of their respective Representatives from and against any Losses resulting from (i) any untrue statement of a material fact in any Registration Statement under which such Registrable Securities were Registered under the Securities Act (including any final, preliminary or summary Prospectus contained therein or any amendment or supplement thereto or any documents incorporated by reference therein, any Free Writing Prospectus or amendment or supplement thereto, or any other disclosure document produced by or on behalf of the Company or any of its Subsidiaries including reports and other documents filed under the Exchange Act), or (ii) any omission to state therein a material fact required to be stated therein or necessary to make the statements therein (in the case of a Prospectus, preliminary Prospectus or Free Writing Prospectus, in light of the circumstances under which they were made) not misleading, in each case to the extent, but only to the extent, that such untrue statement or omission is contained in any information furnished in writing by such Participating Holder to the Company specifically for inclusion in such Registration Statement and has not been corrected in a subsequent writing prior to or concurrently with the sale of the Registrable Securities to the Person asserting the claim, in each case to the extent, but only to the extent, that such untrue statement (or alleged untrue statement) or omission (or alleged omission) was made in such Registration Statement, prospectus, offering circular, free writing prospectus or other document, in reliance upon and in conformity with written information furnished to the Company by such Participating Holder expressly for use therein. In no event shall the liability of such Participating Holder hereunder be greater in amount than the dollar amount of the net proceeds (less underwriting discounts and commissions) received by such Participating Holder under the sale of Registrable Securities giving rise to such indemnification obligation. The Company shall be entitled to receive indemnities from underwriters, selling brokers, dealer managers and similar securities industry professionals participating in the distribution, to the same extent as provided above (with appropriate modification) with respect to information furnished in writing by such Persons specifically for inclusion in any Prospectus, Free Writing Prospectus or Registration Statement.

(c) Conduct of Indemnification Proceedings. Any Person entitled to indemnification under this Section 2.10 shall (i) give prompt written notice to the indemnifying party of any claim with respect to which it seeks indemnification (provided that any delay or failure to so notify the indemnifying party shall relieve the indemnifying party of its obligations hereunder only to the extent, if at all, that it is actually and materially prejudiced by reason of such delay or failure) and (ii) permit such indemnifying party to assume the defense of such claim with counsel reasonably satisfactory to the indemnified party; provided that any Person entitled to indemnification hereunder shall have the right to select and employ separate counsel and to participate in the defense of such claim, but the fees and expenses of such counsel shall be at the expense of such Person unless (A) the indemnifying party has agreed in writing to pay such fees or expenses, (B) the indemnifying party shall have failed to assume the defense of such claim within a reasonable time after delivery of notice of such claim from the Person entitled to indemnification hereunder and employ counsel reasonably satisfactory to such Person, (C) the indemnified party has reasonably concluded (based upon advice of its counsel) that there may be legal defenses available to it or other indemnified parties that are different from or in addition to those available to the indemnifying party, or (D) in the reasonable judgment of any such Person (based upon advice of its counsel) a conflict of interest may exist between such Person and the indemnifying party with respect to such claims (in which case, if the Person notifies the indemnifying party in writing that such Person elects to employ separate counsel at the expense of the indemnifying party, the indemnifying party shall not have the right to assume the defense of such claim on behalf of such Person). If the indemnifying party assumes the defense, the indemnifying party shall not have the right to settle such action, consent to entry of any judgment or enter into any settlement, in each case without the prior written consent of the indemnified party, unless the entry of such judgment or settlement (i) includes as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified party of an unconditional release from all liability in respect to such claim or litigation and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of such indemnified

party, and provided that any sums payable in connection with such settlement are paid in full by the indemnifying party. If such defense is not assumed by the indemnifying party, the indemnifying party will not be subject to any liability for any settlement made without its prior written consent, but such consent may not be unreasonably withheld or delayed. It is understood that the indemnifying party or parties shall not, except as specifically set forth in this Section 2.10(c), in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the reasonable fees, disbursements or other charges of more than one separate firm admitted to practice in such jurisdiction at any one time unless (x) the employment of more than one counsel has been authorized in writing by the indemnifying party or parties, (y) an indemnified party has reasonably concluded (based on the advice of counsel) that there may be legal defenses available to it that are different from or in addition to those available to the other indemnified parties, or (z) a conflict or potential conflict exists or may exist (based upon advice of counsel to an indemnified party) between such indemnified party and the other indemnified parties, in each of which cases the indemnifying party shall be obligated to pay the reasonable fees and expenses of such additional counsel or counsels.

(d) Contribution. If for any reason the indemnification provided for in Section 2.10(a) and Section 2.10(b) is unavailable to an indemnified party or insufficient in respect of any Losses referred to therein, then the indemnifying party shall contribute to the amount paid or payable by the indemnified party as a result of such Loss in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and the indemnified party or parties on the other hand in connection with the acts, statements or omissions that resulted in such losses, as well as any other relevant equitable considerations. In connection with any Registration Statement filed with the SEC by the Company, the relative fault of the indemnifying party on the one hand and the indemnified party on the other hand shall be determined by reference to, among other things, whether any untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The parties hereto agree that it would not be just or equitable if contribution pursuant to this Section 2.10(d) were determined by pro rata allocation or by any other method of allocation that does not take account of the equitable considerations referred to in this Section 2.10(d). No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation. The amount paid or payable by an indemnified party as a result of the Losses referred to in Section 2.10(a) and Section 2.10(b) shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 2.10(d), in connection with any Registration Statement filed by the Company, a Participating Holder shall not be required to contribute any amount in excess of the dollar amount of the net proceeds (less underwriting discounts and commissions) received by such Holder under the sale of Registrable Securities giving rise to such contribution obligation less any amount paid by such Requesting Holder pursuant to Section 2.10(b). If indemnification is available under this Section 2.10, the indemnifying parties shall indemnify each indemnified party to the full extent provided in Section 2.10(a) and Section 2.10(b) hereof without regard to the provisions of this Section 2.10(d).

(e) No Exclusivity. The remedies provided for in this Section 2.10 are not exclusive and shall not limit any rights or remedies which may be available to any indemnified party at law or in equity or pursuant to any other agreement.

(f) Survival. The indemnities provided in this Section 2.10shall survive the transfer of any Registrable Securities by such Holder.

Section 1.11. Rules 144 and 144A and Regulation S. The Company covenants that it will file the reports required to be filed by it under the Securities Act and the Exchange Act and the rules and regulations adopted by the SEC thereunder (or, if the Company is not required to file such reports, it will, upon approval of the Board of Directors, make publicly available such necessary information for so long as necessary to permit sales pursuant to Rules 144, 144A or Regulation S under the Securities Act), and it will take such further action as the Holders may reasonably request, all to the extent required from time to time to enable the Holders, following the IPO, to sell Registrable Securities without Registration under the Securities Act within the limitation of the exemptions provided by (i) Rules 144, 144A or Regulation S under the Securities Act, as such Rules may be amended from time to time, or (ii) any similar rule or regulation hereafter adopted by the SEC. Upon the reasonable request of a Holder, the Company will deliver to such Holder a written statement as to whether it has complied with such requirements and, if not, the specifics thereof in reasonable detail.

Section 1.12. In-Kind Distributions. If any Holder seeks to effectuate an in-kind distribution of all or part of its Company Shares to its direct or indirect equityholders, the Company will, subject to applicable lockups pursuant to Section 2.05, reasonably cooperate with and assist such Holder, such equityholders and the Company's transfer agent to facilitate such in-kind distribution in the manner reasonably requested by such Holder (including the delivery of instruction letters by the Company or its counsel to the Company's transfer agent and the delivery of Company Shares without restrictive legends, to the extent no longer applicable).

Article III

MISCELLANEOUS

Section 1.01. Term. This Agreement shall terminate with respect to any Holder upon the date on which such Holder ceases to hold any Registrable Securities. Notwithstanding the foregoing, the provisions of Section 2.10, Section 2.11, Section 2.12 and all of this Article III shall survive any such termination. Upon the written request of the Company, each Holder agrees to promptly deliver a certificate to the Company setting forth the number of Registrable Securities then beneficially owned by such Holder.

Section 1.02. Attorneys' Fees. In any action or proceeding brought to enforce any provision of this Agreement or where any provision hereof is validly asserted as a defense, the successful party shall, to the extent permitted by applicable law, be entitled to recover reasonable attorneys' fees in addition to any other available remedy.

Section 1.03. Notices. Any notice provided for in this Agreement shall be in writing and shall be either personally delivered, sent by electronic transmission or sent by reputable international courier service (charges prepaid) to the Company or a Holder, at the address set forth below. Notices will be deemed to have been given hereunder when delivered personally, sent by electronic transmission or upon actual delivery by reputable international courier service (as indicated in such courier service's records):

To the Company:

Address: GLOBALFOUNDRIES Inc.
400 Stonebreak Road Extension
Malta, NY 12020

Attention: General Counsel
Email: legal.notices@gf.com

To a Holder:

Address: c/o MTI International Investment Company LLC
Mamoura Building A, Muroor Road
P.O. Box 45005
Abu Dhabi, United Arab Emirates

Attention: General Counsel
Email: anamphy@mubadala.ae, with copy to legalunit@mubadala.ae

Section 1.04. Amendment. The terms and provisions of this Agreement may only be amended, modified or waived at any time and from time to time by a writing executed by the Company and the Holders (for so long as the Holders hold any Registrable Securities).

Section 1.05. Successors, Assigns and Transferees. This Agreement will inure to the benefit of and be binding on the parties hereto and their respective successors and permitted assigns. This Agreement may not be assigned without the express prior written consent of the other parties hereto, and any attempted assignment, without such consents, will be null and void; provided, however, each of the Holders shall be entitled to assign, in whole or in part, any of its rights hereunder without such prior written consent to any Permitted Assignee to which it transfers Registrable Securities. Each such Permitted Assignee shall execute a counterpart to this Agreement and become a party hereto and such Person's Registrable Securities shall be subject to the terms of this Agreement.

Section 1.06. Binding Effect. Except as otherwise provided in this Agreement, the terms and provisions of this Agreement shall be binding on and inure to the benefit of each of the parties hereto and their respective successors.

Section 1.07. Third Party Beneficiaries. Nothing in this Agreement, express or implied, is intended or shall be construed to confer upon any Person not a party hereto (other than those Persons entitled to indemnity or contribution under Section 2.10, each of whom shall be a third party beneficiary thereof) any right, remedy or claim under or by virtue of this Agreement.

Section 1.08. Governing Law; Jurisdiction. THIS AGREEMENT SHALL BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO THE CONFLICTS OF LAW PRINCIPLES THEREOF. ANY ACTION OR PROCEEDING AGAINST THE PARTIES RELATING IN ANY WAY TO THIS AGREEMENT MAY BE BROUGHT AND ENFORCED EXCLUSIVELY IN THE COURTS OF THE STATE OF NEW YORK OR (TO THE EXTENT SUBJECT MATTER JURISDICTION EXISTS THEREFOR) THE U.S. DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK, AND THE PARTIES IRREVOCABLY SUBMIT TO THE JURISDICTION OF BOTH SUCH COURTS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING.

Section 1.09. Waiver of Jury Trial. EACH OF THE PARTIES HERETO HEREBY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW

ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY. EACH OF THE PARTIES HEREBY (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF THE OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, AS APPLICABLE, BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 3.09.

Section 1.10. Severability. If any provision of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 1.11. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same agreement.

Section 1.12. Joinder. Any Person that holds Company Shares may, with the prior written consent of the Company, be admitted as a party to this Agreement upon its execution and delivery of a joinder agreement, in form and substance acceptable to the Company, agreeing to be bound by the terms and conditions of this Agreement as if such Person were a party hereto (together with any other documents the Company determines are necessary to make such Person a party hereto), whereupon such Person will be treated as a Holder for all purposes of this Agreement.

Section 1.13. Other Activities. Notwithstanding anything in this Agreement, none of the provisions of this Agreement shall in any way limit a Holder or any of its Affiliates from engaging in any brokerage, investment advisory, financial advisory, anti-raid advisory, principaling, merger advisory, financing, asset management, trading, market making, arbitrage, investment activity and other similar activities conducted in the ordinary course of their business.

[*Remainder of Page Intentionally Blank*]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

GLOBALFOUNDRIES Inc.

By: /s/ Thomas Caulfield
Name: Dr. Thomas Caulfield
Title: Chief Executive Officer

Mubadala Technology Investment Company

By: /s/ Andre Namphy
Name: Andre Namphy
Title: Authorized Signatory

By: /s/ Rajesh Gopalakrishnan
Name: Rajesh Gopalakrishnan
Title: Authorized Signatory

MTI International Investment Company LLC

By: /s/ Andre Namphy
Name: Andre Namphy
Title: Authorized Signatory

By: /s/ Rajesh Gopalakrishnan
Name: Rajesh Gopalakrishnan
Title: Authorized Signatory

Exhibit 2.3

DESCRIPTION OF SECURITIES
REGISTERED UNDER SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934

The following is a description of our outstanding securities registered under Section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as required pursuant to the relevant Items under Form 20-F. GLOBALFOUNDRIES Inc. ("GF," "we," "us," and "our") has the following series of securities registered pursuant to Section 12(b) of the Exchange Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Ordinary shares, par value US$0.02 per share	GFS	The Nasdaq Global Select Market

GF was incorporated on October 7, 2008, as a Cayman Islands exempted company with limited liability. Our corporate purposes are unrestricted and we have the authority to carry out any object not prohibited by any law as provided by Section 7(4) of the Cayman Islands Companies Act (as amended) (the "Cayman Companies Act").

Our affairs are governed principally by: (1) our Amended and Restated Memorandum and Articles of Association (the "Memorandum and Articles of Association"); (2) the Cayman Companies Act; and (3) the common law of the Cayman Islands. As provided in our Memorandum and Articles of Association, subject to Cayman Islands law, we have full capacity to carry on or undertake any business or activity, do any act or enter into any transaction, and, for such purposes, full rights, powers and privileges. Our registered office is c/o Maples Corporate Services Limited, P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

ORDINARY SHARES

The following are summaries of material provisions of our Memorandum and Articles of Association and the Cayman Companies Act insofar as they relate to the material terms of our ordinary shares. These summaries do not purport to be complete and are subject to the Memorandum and Articles of Association. Throughout the following description of our share capital, we summarized the material terms of our ordinary shares as set forth in the Memorandum and Articles of Association. We have filed a copy of our complete Memorandum and Articles of Association as an exhibit to our Annual Report on Form 20-F.

Authorized Share Capital

Our authorized share capital consists of 1,300,000,000 ordinary shares of US$0.02 per share and 200,000,000 preferred shares with a par value of US$0.02 per share of such class or classes (however designated) as the board of directors may determine in accordance with our Memorandum and Articles of Association.

Ordinary Shares

Voting Rights

Each ordinary share is entitled to one vote on all matters upon which the ordinary shares are entitled to vote. Voting at any meeting of shareholders is by show of hands unless a poll is demanded. A poll may be demanded by the chairman of the meeting, or by shareholders present in person or by proxy holding at least 10% of the shares giving the right to attend and vote at the meeting before or on the declaration of the result of the show of hands.

A quorum required for any general meeting of shareholders consists of, at the time when the meeting proceeds to business, one or more of our shareholders holding shares which carry in aggregate (or representing by proxy) not less than one-third of all votes attaching to all of our shares in issue and entitled to vote at such general meeting. As a Cayman Islands exempted company, we are not obliged by the Cayman Companies Act to call annual general meetings. Only the board of directors may call an annual general meeting or any extraordinary general meeting. The Cayman Companies Act does not provide shareholders with rights to requisition a general meeting, and does not provide shareholders with any right to put any proposal before a general meeting. However, these rights may be provided in a company's articles of association. Our Memorandum and Articles of Association provide that upon the requisition of any one or more of our shareholders holding shares which carry in aggregate not less than one-third of all votes attaching to all issued and outstanding shares of our company entitled to vote at general meetings, our board of directors will convene an extraordinary general meeting and put the resolutions so requisitioned to a vote at such meeting. However, our Memorandum and Articles of Association do not provide our shareholders with any right to put any proposals before annual general meetings or extraordinary general meetings not called by such shareholders.

Subject to regulatory requirements, the annual general meeting and any extraordinary general meetings must be called by not less than ten calendar days' notice prior to the relevant shareholders meeting and convened by

a notice discussed below. Alternatively, upon the prior consent of all holders entitled to attend and vote, with regards to the annual general meeting, or the holders of 95% in par value of the shares entitled to attend and vote at an extraordinary general meeting, that meeting may be convened by a shorter notice and in a manner deemed appropriate by those holders.

Generally speaking, an ordinary resolution to be passed by the shareholders at a general meeting requires the affirmative vote of a simple majority of the votes cast by, or on behalf of, the shareholders entitled to vote, present in person or by proxy and voting at the meeting and a special resolution requires the affirmative vote on a poll of no less than two-thirds of the votes cast by the shareholders entitled to vote who are present in person or by proxy at a general meeting. Both ordinary resolutions and special resolutions may also be passed by a unanimous written resolution signed by all of our shareholders.

A special resolution will be required for certain matters such as a change of name, amendments to our Memorandum and Articles of Association, and a reduction in our share capital or any capital redemption reserve fund. Our shareholders may effect certain changes by ordinary resolution, including increasing the amount of our authorized share capital, consolidating and dividing all or any of our share capital into shares of larger amounts than our existing shares, converting all or any of our paid-up shares into stocks and reconverting that stock into paid-up shares of any denomination, subdividing existing shares or dividing the whole or any part of our share capital into shares of smaller amounts or into shares without par value, and cancelling any authorized but unissued shares.

Dividends

The holders of our ordinary shares are entitled to such dividends as may be declared by our board of directors. Under the Cayman Companies Act, a Cayman Islands company may pay a dividend out of either profit or distributable reserves, including our share premium account, provided that in no circumstances may a dividend be paid if this would result in the company being unable to pay its debts as they fall due in the ordinary course of business.

Liquidation

On a winding up of our company, if the assets available for distribution among the holders of our ordinary shares shall be more than sufficient to repay the whole of the share capital at the commencement of the winding up, the surplus will be distributed among the holders of our ordinary shares in proportion to the par value of the ordinary shares held by them at the commencement of the winding up subject to a deduction from those ordinary shares in respect of which there are monies due, of all monies payable to the us for unpaid calls or otherwise.

If our assets available for distribution are insufficient to repay the whole of the issued share capital, such assets will be distributed so that the losses are borne by the holders of our ordinary shares in proportion to the par value of the ordinary shares held by them.

The liquidator may, with the sanction of a special resolution of our shareholders and any other sanction required by the Cayman Companies Act, divide among the shareholders in kind the whole or any part of the assets of our company, and may for that purpose value any assets and determine how the division shall be carried out as among our shareholders or different classes of shareholders. The liquidator may, with the same sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the shareholder as the liquidator, with the same sanction, shall think fit, but so that no shareholder shall be compelled to accept any asset upon which there is a liability.

Share Repurchase

The Cayman Companies Act and our Memorandum and Articles of Association permit us to purchase our own shares, subject to certain restrictions. The board of directors may only exercise this power on behalf us, subject to the Cayman Companies Act, our Memorandum and Articles of Association and to any applicable requirements imposed from time to time by the SEC or the applicable stock exchange on which our securities are listed.

Directors

The management of our company is vested in a board of directors. Our Memorandum and Articles of Association provide that the number of directors is determined by our board of directors. However, for so long as MTIC is entitled to nominate at least one director to the board of directors, the board of directors will not, without MTIC's prior written consent, include more than twelve directors and until such time as the Mubadala Entities no longer beneficially own in the aggregate at least 30% of our outstanding ordinary shares, the number of directors may not be changed without the prior written consent of MTIC.

In accordance with our Memorandum and Articles of Association, our board of directors is divided into three classes of directors, with the directors in each class serving staggered three-year terms. The quorum necessary for any meeting of our board of directors shall consist of a simple majority of the members provided that, for so long

as the Mubadala Entities are entitled to nominate one Mubadala Designee to our board of directors, the presence of at least one Mubadala Designee shall be required on first call to a meeting of the board of directors.

Our Memorandum and Articles of Association also includes certain veto rights in favor of the Mubadala Entities providing that until such time as the Mubadala Entities no longer beneficially own at least 30% of our outstanding ordinary shares, the board of directors will require the prior written consent of MTIC to take, or to permit our subsidiaries to take, the following actions:

- issuances of equity securities, subject to customary exceptions;
- acquisitions or dispositions in an amount exceeding $300 million in any single transaction or $500 million in any calendar year, other than in the ordinary course of business;
- mergers, consolidations, or other transactions that would involve a change of control of our company;
- incurring financial indebtedness in an amount exceeding $200 million, subject to certain exceptions;
- hiring or terminating our Chief Executive Officer, Chief Financial Officer or Chief Legal Officer or designating any replacement thereto; or
- any material change in the nature of the business of our company and our subsidiaries, taken as a whole.

Corporate Opportunity

Our Memorandum and Articles of Association provides that we renounce our interest in any corporate opportunity offered to any of our directors or officers. Additionally, any such director or officer shall be permitted to pursue competing opportunities without any liability to us.

Redemption of Shares

We may issue shares on terms that are subject to redemption, at our option or at the option of the holders, on such terms and in such manner as may be determined by our board of directors.

Register of Shareholders

The ordinary shares are held through DTC, and DTC or Cede & Co., as nominee for DTC, has been recorded in the shareholders' register as the holder of the ordinary shares.

Under Cayman Islands law, we must keep a register of shareholders that includes:

- the names and addresses of the shareholders, a statement of the shares held by each member, and of the amount paid or agreed to be considered as paid, on the shares of each member;
- whether voting rights attach to the shares in issue;
- the date on which the name of any person was entered on the register as a member; and
- the date on which any person ceased to be a member.

Under Cayman Islands law, our register of shareholders is prima facie evidence of the matters set out therein (i.e., the register of shareholders will raise a rebuttable presumption) and a shareholder registered in the register of shareholders is deemed as a matter of Cayman Islands law to have prima facie legal title to the shares as set against that person's name in the register of shareholders. Upon the completion of the proposed transaction, the register of shareholders will be immediately updated to record and give effect to the issuance of new ordinary shares in the proposed transaction. Once the register of shareholders has been updated, the shareholders recorded in the register of shareholders should be deemed to have legal title to the shares set against their name.

However, there are certain limited circumstances where an application may be made to a Cayman Islands court for a determination on whether the register of members reflects the correct legal position. Further, the Cayman Islands court has the power to order that the register of members maintained by a company should be rectified where it considers that the register of members does not reflect the correct legal position. If an application for an order for rectification of the register of members were made in respect of our ordinary shares, then the validity of such shares may be subject to re-examination by a Cayman Islands court.

Exempted Company

We are an exempted company with limited liability under the Cayman Companies Act. The Cayman Companies Act distinguishes between ordinary resident companies and exempted companies. Where the proposed activities of a company are to be carried out mainly outside of the Cayman Islands, the registrant can apply for registration as an exempted company. The requirements for an exempted company are essentially the same as for an ordinary company except for the exemptions and privileges listed below:

- an exempted company does not have to file an annual return of its shareholders with the Registrar of Companies;
- an exempted company's register of shareholders is not open to inspection;
- an exempted company does not have to hold an annual general meeting;

- an exempted company may obtain an undertaking against the imposition of any future taxation (such undertakings are usually given for 20 years in the first instance);
- an exempted company may register by way of continuation in another jurisdiction and be deregistered in the Cayman Islands;
- an exempted company may register as a limited duration company; and
- an exempted company may register as a segregated portfolio company.

"Limited liability" means that the liability of each shareholder is limited to the amount unpaid by the shareholder on the shares of the company (except in exceptional circumstances, such as involving fraud, the establishment of an agency relationship or an illegal or improper purpose or other circumstances in which a court may be prepared to pierce or lift the corporate veil).

Anti-Takeover Provisions

Some provisions of our Memorandum and Articles of Association may discourage, delay or prevent a change in control of our company or management that shareholders may consider favorable, including provisions that:

- our board of directors is divided into three separate classes, with each class serving for staggered terms, with successors to the class of directors whose term expires at subsequent annual meetings of shareholders following the date of such introduction, being elected for a further fixed term;
- provide that our Memorandum and Articles of Association may be amended only by the affirmative vote of two-thirds of the votes permitted to be cast by persons present and voting in a general meeting at which a quorum is present;
- provide that directors nominated by Mubadala may only be removed with or without cause by MTIC;
- provide that any merger to which we are a party will require the approval of a special resolution and, until such time as the Mubadala Entities no longer beneficially own at least 30% of our outstanding ordinary shares, the prior written approval of MTIC;
- authorize our board of directors to issue preferred shares and to designate the rights, preferences, privileges and restrictions of such preferred shares without any further vote or action by our shareholders; and
- limit the ability of shareholders to requisition and convene general meetings of shareholders and prevent our shareholders from putting any proposals before annual general meetings or extraordinary general meetings not called by such shareholders.

These provisions are expected to discourage coercive takeover practices and inadequate takeover bids. These provisions are also designed to encourage persons seeking to acquire control of the company to first negotiate with the board of directors. It is possible that these provisions could make it more difficult to accomplish transactions that shareholders may otherwise deem to be in their best interests.

Exclusive Forum

Our Memorandum and Articles of Association provide that unless we consent in writing to the selection of an alternative forum, the courts of the Cayman Islands will, to the fullest extent permitted by the law, have exclusive jurisdiction over any claim or dispute arising out of or in connection with our Memorandum and Articles of Association or otherwise related in any way to each shareholder's shareholding in us, including but not limited to (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of any fiduciary or other duty owed by any of our current or former directors, officers or other employees to us or our shareholders, (iii) any action asserting a claim arising pursuant to any provision of the Cayman Companies Act or our Memorandum and Articles of Association, and (iv) any action asserting a claim against us governed by the "Internal Affairs Doctrine" (as such concept is recognized under the laws of the United States) and that each shareholder irrevocably submits to the exclusive jurisdiction of the courts of the Cayman Islands over all such claims or disputes. Our Memorandum and Articles of Association will provide that, unless we consent in writing to the selection of an alternative forum, to the fullest extent permitted by law, the federal district courts of the United States will be the exclusive forum for the resolution of any complaint asserting a cause or causes of action arising under the Securities Act or Exchange Act, including all causes of action asserted against any defendant named in such complaint. Our Memorandum and Articles of Association also provide that, without prejudice to any other rights or remedies that we may have, each of our shareholders acknowledges that damages alone would not be an adequate remedy for any breach of the selection of the courts of the Cayman Islands as exclusive forum and that accordingly we shall be entitled, without proof of special damages, to the remedies of injunction, specific performance or other equitable relief for any threatened or actual breach of the selection of the courts of the Cayman Islands as exclusive forum.

Rights of Non-Resident or Foreign Shareholders

There are no limitations imposed by our Memorandum and Articles of Association on the rights of non-resident or foreign shareholders to hold or exercise voting rights of our shares. In addition, there are no provisions in our Memorandum and Articles of Association governing the ownership threshold above which shareholder ownership must be disclosed.

Inspection of Books and Records

Holders of our shares have no general right under Cayman Islands law to inspect or obtain copies of the list of shareholders or our corporate records. However, our board of directors may determine from time to time whether and to what extent our accounting records and books shall be open to inspection by shareholders.

Handling of Mail

Mail addressed to us and received at our registered office will be forwarded unopened to the forwarding address, which will be supplied by us. None of us, our directors, officers, advisors or service providers (including the organization which provides registered office services in the Cayman Islands) will bear any responsibility for any delay howsoever caused in mail reaching the forwarding address.

SHEARMAN & STERLING

EXECUTION VERSION

Dated 18 October 2019

among

GLOBALFOUNDRIES INC.
as the Company

GLOBALFOUNDRIES INC.
GLOBALFOUNDRIES SINGAPORE PTE. LTD.

- and -

GLOBALFOUNDRIES U.S. INC.
as the Original Borrowers

THE ENTITIES NAMED AS GUARANTORS

CITIBANK, N.A., LONDON BRANCH

- and -

DBS BANK LTD.
as Arrangers and Bookrunners

- and -

CITIBANK EUROPE PLC, UK BRANCH
as Facility Agent

REVOLVING AND L/C FACILITIES AGREEMENT

CONTENTS Page

THIS AGREEMENT is made on 18 October 2019

BETWEEN:

(1) **GLOBALFOUNDRIES INC**., an exempted company incorporated in the Cayman Islands with its registered office at Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands (the "**Company**");

(2) **THE ENTITIES** listed in Part B (*Original Borrowers*) of Schedule 1 (*The Original Parties*) as the original borrowers (the "**Original Borrowers**");

(3) **THE ENTITIES** listed in Part A (*Original Guarantors*) of Schedule 1 (*The Original Parties*) as the original guarantors (the "**Original Guarantors**");

(4) **CITIBANK, N.A., LONDON BRANCH** and **DBS BANK LTD.** as arrangers and bookrunners (the "**Arrangers**" and "**Bookrunners**");

(5) **THE FINANCIAL INSTITUTIONS** listed in Part C (*Original Lenders*) of Schedule 1 (*The Original Parties*) as lenders under the Revolving Facility (the "**Original Revolving Lenders**");

(6) **CITIBANK, N.A.** as lender under the Additional L/C Facility (the "**Original Additional L/C Lender**" and together with the Original Revolving Lenders, the "**Original Lenders**"); and

(7) **CITIBANK EUROPE PLC, UK BRANCH** as facility agent of the other Finance Parties (the "**Facility Agent**").

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement:

"**Acceptable Bank**" means:

(a) a bank or financial institution which has a rating for its long-term unsecured and non-credit-enhanced debt obligations of BBB+ or higher by Standard & Poor's Rating Services or Baa1 or higher by Moody's Investors Service Limited or BBB+ or higher by Fitch Ratings Ltd; or

(b) any other bank or financial institution approved by the Facility Agent (acting on the instructions of the Majority Lenders) following a request in writing from the Company.

"**Acceptable Letter of Credit**" means a first demand stand by letter of credit, substantially in the form of Schedule 22 (*Form of Acceptable Letter of Credit*) issued by an Acceptable Bank.

"**Acceptable Transferee**" means a (i) bank or financial institution; or (ii) a trust, fund or other entity that is regularly engaged in, or established for the purposes of, making, purchasing or investing in loans, securities or other financial assets and which has been approved by the Company in its sole discretion (acting reasonably) **provided that,** unless as otherwise agreed by the Company at its sole discretion, the following shall be deemed not to be an Acceptable Transferee:

(a) at any time (other than when an Event of Default is continuing), a Loan-to-Own/Distressed Investor;

(b) at any time (other than (1) when an Event of Default is continuing or (2) in respect of a transfer or assignment to an Affiliate of the transferring or assigning Lender) but solely in respect of transfers and assignments of Additional L/C Facility Commitments, a bank or financial institution which has a rating for its long-term unsecured and non-credit-enhanced debt obligations of BBB- or lower by Standard & Poor's Rating Services or Baa3 or lower by Moody's Investors Service Limited or BBB- or lower by Fitch Ratings Ltd;

(c) at any time, any Industry Competitor; and

(d) any person that is (or would, upon becoming a Lender, be) a Defaulting Lender at the time of such assignment, transfer or sub-participation (**provided that**, unless an Existing Lender has knowledge or is advised to the contrary, it shall be entitled to rely on a written statement from a New Lender in an Assignment Agreement or Transfer Certificate (as the case may be), that it is not, and will not become, a Defaulting Lender on the date on which it becomes a Lender under this Agreement).

"**Accession Deed**" means an accession deed substantially in the form set out in Schedule 7 (*Form of Accession Deed*).

"**Additional Borrower**" means a company which becomes an Additional Borrower in accordance with Clause 31.2 (*Additional Borrowers*).

"**Additional Guarantor**" means a company which becomes an Additional Guarantor in accordance with Clause 31.4 (*Additional Guarantors*).

"**Additional Obligor**" means an Additional Borrower or an Additional Guarantor.

"**Additional L/C Facility**" means the letter of credit facility made or to be made available under this Agreement as described in paragraph (a)(i) of Clause 2.1 (*The Facilities*).

"**Additional L/C Facility Commitment**" means:

(a) for the Original Additional L/C Lender, the amount set opposite its name in Part C (*Original Lenders*) of Schedule 1 (*The Original Parties*) under the heading Additional L/C Facility Commitments and the amount of any other Additional L/C Facility Commitment transferred to it under this Agreement or assumed by it in accordance with Clause 2.2 (*Increase*); and

(b) for any other Lender, the amount in the Base Currency of any Additional L/C Facility Commitment transferred to it under this Agreement or assumed by it in accordance with Clause 2.2 (*Increase*),

in each case, to the extent not cancelled, transferred or reduced under this Agreement.

"**Adjusted Group**" means the Group excluding the Excluded Guarantor Companies.

"**Affiliate**" means, in respect of any person, a Subsidiary of that person, a Holding Company of that person or any Subsidiary of that Holding Company.

"**Affiliate Investment**" means any entity in which the Company has ownership, directly or indirectly, of not less than ten per cent. (10%) of the securities having ordinary voting power for the election of directors or other governing body of such entity.

"**Ancillary Commencement Date**" means, in relation to an Ancillary Facility, the date on which that Ancillary Facility is first made available, which date shall be a Business Day within the Availability Period for the Revolving Facility.

"**Ancillary Commitment**" means, in relation to an Ancillary Lender and an Ancillary Facility, the maximum Base Currency Amount which that Ancillary Lender has agreed (whether or not subject to satisfaction of conditions precedent) to make available from time to time under an Ancillary Facility and which has been authorised as such under Clause 9 (*Ancillary Facilities*), to the extent that amount is not cancelled or reduced under this Agreement or the Ancillary Documents relating to that Ancillary Facility.

"**Ancillary Document**" means each document relating to or evidencing the terms of an Ancillary Facility.

"**Ancillary Facility**" means any ancillary facility made available by an Ancillary Lender in accordance with Clause 9 (*Ancillary Facilities*).

"**Ancillary Lender**" means each Lender (or Affiliate of a Lender) which makes available an Ancillary Facility in accordance with Clause 9 (*Ancillary Facilities*).

"**Ancillary Outstandings**" means, at any time, in relation to an Ancillary Lender and an Ancillary Facility then in force the aggregate of the equivalents (as calculated by that Ancillary Lender) in the Base Currency of the following amounts outstanding under that Ancillary Facility:

(a) the principal amount under each overdraft facility and on-demand short term loan facility (net of any Available Credit Balance);

(b) the face amount of each guarantee, bond and letter of credit under that Ancillary Facility net of cash cover and as reduced in accordance with its terms; and

(c) the amount fairly representing the aggregate exposure (excluding interest and similar charges) of that Ancillary Lender under each other type of accommodation provided under that Ancillary Facility,

in each case as determined by such Ancillary Lender, acting reasonably in accordance with its normal banking practice and in accordance with the relevant Ancillary Document.

"**Applicable Law**" means any constitution, statute, law, rule, regulation, ordinance, judgment, order, decree, Government Approval, or any published directive, guideline, requirement or other governmental restriction that has the force of law or any determination by, or interpretation of, any of the foregoing by any judicial authority, binding on a given person whether in effect as of the date hereof or as of any date thereafter, including all applicable Environmental Laws.

"**Approved Borrower**" means, in relation to a Facility, any Borrower (other than the Company in respect of any Facility and GLOBALFOUNDRIES U.S. Inc. in respect of the Additional L/C Facility only) which has been approved by each Original Lender that is a Lender under that Facility in accordance with Clause 4.5 (*Approved Borrowers*).

"**Approved Accounting Principles**" means, as the context may require, in the case of the Company, IFRS or, in the case of any other member of the Group, the accounting standards generally accepted in the jurisdiction of incorporation of the relevant member of the Group.

"**Article 55 BRRD**" means Article 55 of Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms.

"**Assignment Agreement**" means an agreement substantially in the form set out in Schedule 6 (*Form of Assignment Agreement*) or any other form agreed by the Facility Agent and the Company.

"**Auditor's Determination**" has the meaning given to that term in paragraph (b)(iv) of Clause 22.11 (*Guarantee limitations*).

"**Authorised Officer**" means, in respect of a person, the chairman or any other director of the board of directors, the chief executive officer, the chief financial officer, the general manager, the treasurer or any other duly authorised officer of such person.

"**Automatic Acceleration Event**" has the meaning given to that term in paragraph (b) of Clause 28 (*Remedies following Default*).

"**Availability Period**" means:

(a) in relation to the Revolving Facility, the period from and including the Signing Date to and including the date falling one month prior to the Final Maturity Date; and

(b) in relation to the Additional L/C Facility, the period from and including the Signing Date to and including the date falling one month prior to the Final Maturity Date.

"**Available Commitment**" means, in relation to a Facility, the Commitment of a Lender under that Facility at any time minus subject to Clause 9.8 (*Affiliates of Lenders as Ancillary Lenders*) and as set out below:

(a) the Base Currency Amount of its participation in any outstanding Utilisations under that Facility and, in respect of the Revolving Facility, the Base Currency Amount of the aggregate of its (and its Affiliate's) Ancillary Commitments; and

(b) in relation to any proposed Utilisation, the Base Currency Amount of its participation in any other Utilisations that are due to be made under that Facility on or before the proposed Utilisation Date and, in respect of the Revolving Facility, the Base Currency Amount of its (and its Affiliate's) Ancillary Commitment in relation to any new Ancillary Facility that is due to be made available on or before the proposed Utilisation Date.

For the purposes of calculating a Lender's Available Commitment in relation to any proposed Utilisation under that Facility, the following amounts shall not be deducted from that Lender's Commitment under that Facility:

(i) that Lender's participation in any Utilisations under that Facility that are due to be repaid or prepaid on or before the proposed Utilisation Date; and

(ii) that Lender's (and its Affiliate's) Ancillary Commitments under that Facility to the extent that they are due to be reduced or cancelled on or before the proposed Utilisation Date.

"**Available Credit Balance**" means, in relation to an Ancillary Facility, credit balances on any account of any Borrower of that Ancillary Facility with the Ancillary Lender making available that Ancillary Facility to the extent that those credit balances are freely available to be set off by that Ancillary Lender against liabilities owed to it by that Borrower under that Ancillary Facility.

"**Available Facility**" means, in relation to a Facility at any time, the aggregate of the Available Commitments under that Facility at such time.

"**Bail-In Action**" means the exercise of any Write-down and Conversion Powers.

"**Bail-In Legislation**" means:

(a) in relation to an EEA Member Country which has implemented, or which at any time implements, Article 55 BRRD, the relevant implementing law or regulation as described in the EU Bail-In Legislation Schedule from time to time; and

(b) in relation to any state other than such an EEA Member Country or (to the extent that the United Kingdom is not such an EEA Member Country) the United Kingdom, any analogous law or regulation from time to time which requires contractual recognition of any Write-down and Conversion Powers contained in that law or regulation.

"**Bank Levy**" means any amount payable by any Finance Party or any of their respective Affiliates on the basis of or in relation to its balance sheet or capital base or any part of it or its liabilities or minimum regulatory capital or any combination thereof (including, without limitation, the United Kingdom bank levy as set out in the Finance Act 2011 (as amended), the French *taxe de risque systémique* as set out in Article 235 *ter ZE* of the French Tax Code and the French *taxe pour le financement du fonds de soutien aux collectivités territoriales* as set out in Article 235 *ter ZE bis* of the French Tax Code, the German bank levy as set out in the German Restructuring Fund Act 2010 (*Restrukturierungsfondsgesetz*), the Dutch *bankenbelasting* as set out in the Dutch bank levy act (*Wet bankenbelasting*), the Austrian bank levy as set out in the Austrian Stability Duty Act (*Stabilitätsgesetz*), the Spanish bank levy (*Impuesto sobre los Depósitos en las Entidades de Crédito*) as set out in the Law 16/2012 of 27 December 2012, the Swedish bank levy as set out in the Swedish Act on state support to credit institutions (*lag (2008:814*) (as amended or replaced from time to time)) and any tax in any jurisdiction levied on a similar basis or for a similar purpose in force (or formally announced) as at the Signing Date.

"**Base Currency**" means Dollars.

"**Base Currency Amount**" means:

(a) in relation to a Utilisation, the amount specified in the Utilisation Request delivered by a Borrower for that Utilisation (or, if the amount requested is not denominated in the Base Currency, that amount converted into the Base Currency at the Facility Agent's Spot Rate of Exchange on the date which is three (3) Business Days before the Utilisation Date or, if later, on the date the Facility Agent receives the Utilisation Request in accordance with the terms of

this Agreement) and, in the case of a Letter of Credit, as adjusted under Clause 6.8 (*Revaluation of Letters of Credit*); and

(b) in relation to an Ancillary Commitment, the amount specified as such in the notice delivered to the Facility Agent by the Company pursuant to Clause 9.2 (*Availability*) (or, if the amount specified is not denominated in the Base Currency, that amount converted into the Base Currency at the Facility Agent's Spot Rate of Exchange on the date which is three (3) Business Days before the Ancillary Commencement Date for that Ancillary Facility or, if later, the date the Facility Agent receives the notice of the Ancillary Commitment in accordance with the terms of this Agreement),

as adjusted to reflect any repayment, prepayment, consolidation or division of a Utilisation, or (as the case may be) cancellation or reduction of an Ancillary Facility.

"**Borrower**" means an Original Borrower or an Additional Borrower unless it has ceased to be a Borrower in accordance with Clause 31 (*Changes to the Obligors*) and, in respect of an Ancillary Facility only, any Affiliate of a Borrower that becomes a borrower of that Ancillary Facility with the approval of the relevant Lender pursuant to Clause 9.9 (*Affiliates of Borrowers*).

"**Break Costs**" means the amount (if any) by which:

(a) the interest (excluding the Margin) which a Lender should have received for the period from the date of receipt of all or any part of its participation in a Loan or Unpaid Sum to the last day of the current Interest Period in respect of that Loan or Unpaid Sum, had the principal amount or Unpaid Sum received been paid on the last day of that Interest Period;

exceeds:

(b) the amount which that Lender would be able to obtain by placing an amount equal to the principal amount or Unpaid Sum received by it on deposit with a leading bank for a period starting on the Business Day following receipt or recovery and ending on the last day of the current Interest Period.

"**Business Day**" means:

(a) for the purposes of determining EURIBOR, a TARGET Day;

(b) for the purposes of determining LIBOR, a day (other than a Saturday or Sunday) on which dealings in Dollar deposits are carried on in the London interbank market and on which banks are generally open for general business in London; and

(c) for the purposes of delivering any Utilisation Request or Renewal Request, identifying any Utilisation Date, issuing any Letters of Credit, funding any Utilisation (or calculating any amounts for the relevant Utilisation) and making any other payment, a day (other than a Saturday or Sunday) on which banks are open for general business in London, New York and Singapore **provided that** such day is a TARGET Day for payment or purchase of Euro;

(c) for all other purposes, a day (other than a Friday, Saturday or Sunday) on which banks are open for general business in London, New York, Abu Dhabi and Singapore.

"**Calculation Date**" means each last day of the second quarter of a Financial Year and each last day of a Financial Year commencing with 31 December 2019.

"**Calculation Period**" means any twelve (12) calendar month period ending on a Calculation Date (and including, for the avoidance of doubt, only one previous Calculation Date).

"**Capital Stock**" means, of any person, any shares, interests, rights to purchase, warrants, options, debt securities, participations or other equivalents of or interests in (however designated), the common or preferred equity share capital of such person, including, without limitation, partnership interests, and any securities convertible into or exchangeable for any thereof (whether optionally or mandatorily).

"**Cash**" means, at any time, cash at bank credited to an account in the name of a member of the Adjusted Group with an Acceptable Bank which is freely transferable into Dollars or Euro and immediately available (or immediately available upon the giving of notice and the expiry of the relevant notice period) to be applied in repayment or prepayment of the Facilities.

"**Cash Equivalent Investments**" means at any time:

(a) certificates of deposit maturing within one (1) year after the relevant date of calculation and issued by an Acceptable Bank;

(b) any investment in marketable debt obligations issued or guaranteed by the government of the United States of America, the United Kingdom, the Emirate of Abu Dhabi, Japan, Singapore or any member state of the European Economic Area or any Participating Member State which has a credit rating of A- or higher by Standard & Poor's Rating Services, A3 or higher by Moody's Investors Service Limited or Aa3 or higher by Fitch Ratings Limited or by an instrumentality or agency of any of them having an equivalent credit rating, maturing within one (1) year after the relevant date of calculation and not convertible or exchangeable to any other security;

(c) commercial paper not convertible or exchangeable to any other security:

  (i) for which a recognised trading market exists;

  (ii) issued by an issuer incorporated in the United States of America, the United Kingdom, any Emirate of the United Arab Emirates, Japan, Singapore, any member state of the European Economic Area or any Participating Member State;

  (iii) which matures within one (1) year after the relevant date of calculation; and

  (iv) which has a credit rating of A-1 or higher by Standard & Poor's Rating Services or P-1 or higher by Moody's Investors Service Limited or F1 or higher by Fitch Ratings Ltd, or, if no rating is available in respect of the commercial paper, the issuer of which has, in respect of its long-term unsecured and non-credit enhanced debt obligations, an equivalent rating;

(d) any investment in money market funds which (i) have assets with a credit rating of A-1 or higher by Standard & Poor's Rating Services or P-1 or higher by Moody's Investors Service Limited or F1 or higher by Fitch Ratings Ltd, (ii) which invest substantially all their assets in securities of the types described in paragraphs (a) to (c) above and (iii) can be turned into cash on not more than thirty (30) days' notice;

(e) any loan made to an entity which has a credit rating of A+ or higher by Standard & Poor's Rating Services or A1 or higher by Moody's Investors Service Limited or A+ or higher by Fitch Ratings Ltd;

(f) any letter of credit or other similar instrument issued by an Acceptable Bank providing for payment on first written demand, which shall be in the form of an Acceptable Letter of Credit; or

(g) any other debt security approved by the Facility Agent,

in each case, denominated either in Dollars, Euro or in any other currency which is freely convertible into Dollars or Euro and to which any member of the Group is alone (or together with other members of the Group) beneficially entitled at that time and which is not issued or guaranteed by any member of the Group or subject to any security (other than the normal security arising in favour of a clearing system due to the relevant investment being held in such clearing system).

"**Change of Control**" means the occurrence of an event resulting in (i) an entity wholly owned (directly or indirectly) by the government of the Emirate of Abu Dhabi ceasing to Control the Company; or (ii) the Company ceasing to Control any Borrower.

"**China Investment**" means the contribution of equipment and other assets to the China Joint Venture in exchange for, amongst other things, equity ownership rights in the China Joint Venture, **provided that** the China Joint Venture becomes a member of the Group and the aggregate value of such equipment and other assets does not exceed US$450,000,000 (or its equivalent in any other currency or currencies).

"**China Joint Venture**" means the joint venture entity to be established between a member of the Group and the Government of Chongqing or the Government of Chengdu of the People's Republic of China (and/or their respective affiliated entities and local partners).

"**Closing Date**" means the date of first utilisation of the Facilities.

"**Closing Date Security Documents**" means:

(a) the security confirmation agreement made between GLOBALFOUNDRIES INC., GLOBALFOUNDRIES Investments LLC, GLOBALFOUNDRIES (Netherlands) Coöperatief U.A., GLOBALFOUNDRIES Netherlands Holding B.V., GLOBALFOUNDRIES Netherlands B.V. and Wilmington Trust, National Association, as the Pledgee, governed by the laws of the Netherlands;

(b) a German law governed confirmation and junior share and interest pledge agreement to be entered into among, *inter alios*, GLOBALFOUNDRIES Netherlands Holding B.V., GLOBALFOUNDRIES Dresden Module One LLC, GLOBALFOUNDRIES Dresden Module Two LLC, GLOBALFOUNDRIES Management Services Limited Liability Company & Co. KG, GLOBALFOUNDRIES Dresden Module One Holding GmbH, GLOBALFOUNDRIES Dresden Module Two Holding GmbH, GLOBALFOUNDRIES Dresden Module One Limited Liability Company & Co. KG and GLOBALFOUNDRIES Dresden Module Two Limited Liability Company & Co. KG as pledgors and Wilmington Trust, National Association as collateral trustee and pledgee regarding the pledge of all current and future shares and partnership interests (as the case may be) in GLOBALFOUNDRIES Management Services

Limited Liability Company & Co. KG, GLOBALFOUNDRIES Dresden Module One Holding GmbH, GLOBALFOUNDRIES Dresden Module Two Holding GmbH, GLOBALFOUNDRIES Dresden Module One Limited Liability Company & Co. KG, and GLOBALFOUNDRIES Dresden Module Two Limited Liability Company & Co. KG;

(c) the Singapore law governed supplemental share charge, supplemental to the share charge dated 30 October 2018 (as supplemented by the supplemental share charge dated 5 June 2019), entered into between GLOBALFOUNDRIES Inc. and the Collateral Agent; and

(d) the Reaffirmation Agreement.

"**Code**" means the U.S. Internal Revenue Code of 1986 and the regulations promulgated and rulings issued thereunder.

"**Collateral Trust Agreement**" means the amended and restated collateral trust agreement dated 20 September 2018 (and as further amended, supplemented, amended and restated or otherwise modified from time to time) between, among others, the Company, GLOBALFOUNDRIES Borrower LLC, GLOBALFOUNDRIES Singapore Pte. Ltd., Morgan Stanley Senior Funding Inc. as administrative agent, Bank of America, N.A. as equipment financing global trustee and Wilmington Trust, National Association, as collateral trustee.

"**Commitment**" means a Revolving Facility Commitment or an Additional L/C Facility Commitment.

"**Committed Debt Facilities**" means revolving credit facilities providing for Financial Indebtedness maturing not later than three hundred sixty-five (365) calendar days after the date incurred (although any such revolving credit facilities availability period may be longer than one (1) year), whether unsecured or secured (including where structured as a securitisation or other asset backed financing) which are identified in the Compliance Certificate delivered in respect of the relevant Calculation Date pursuant to Clause 2 (*Compliance Certificate*) of Schedule 13 (*Information Covenants*) or, in respect of Clause 7 (*Distribution*) of Schedule 15 (*Negative Covenants*), as identified in any certificate signed by an Authorised Officer of the Company and delivered to the Facility Agent on the date of the proposed Distribution.

"**Compliance Certificate**" means a certificate substantially in the form set out in Schedule 9 (*Form of Compliance Certificate*).

"**Confidentiality Undertaking**" means a confidentiality undertaking substantially in a recommended form of the LMA set out in Schedule 17 (*Form of Confidentiality Agreement*) or in any other form agreed between the Company and the Facility Agent.

"**Control**" means (a) the ownership, directly or indirectly, of more than fifty-one per cent. (51%) of the securities having ordinary voting power for the election of directors or other governing body of a company, corporation or other entity; or (b) the ability, directly or indirectly, to influence any decision of, or to direct or cause the direction of the management and policies (including operations and maintenance decisions) of, a person. The terms "**Controlled by**", "**under common Control with**" and the term "**Control**" when used as a verb, shall have correlative meanings.

"**Corrupt Practices Laws**" means, collectively (a) the Foreign Corrupt Practices Act 1977, 15 U.S.C. 78dd-1 – 78dd-3 (2000), as amended, and (b) any other applicable law, regulation, order, decree or directive having the force of law and relating to bribery, kick-backs or similar business practices.

"**Cross-stream Guarantee**" has the meaning given to that term in paragraph (b)(i) of Clause 22.11 (*Guarantee limitations*).

"**Debt Purchase Transaction**" means, in relation to a person, a transaction where such person:

(a) purchases by way of assignment or transfer;

(b) enters into any sub-participation in respect of; or

(c) enters into any other agreement or arrangement having an economic effect substantially similar to a sub-participation in respect of,

any Commitment or amount outstanding under this Agreement.

"**Debt Service Coverage Ratio**" means, in relation to any Calculation Period, the ratio of (a) EBITDA of the Adjusted Group to (b) Senior Debt Service for such period.

"**Declared Default**" means the occurrence of an Automatic Acceleration Event or the occurrence of an Event of Default specified in Schedule 16 (*Events of Default*) which has resulted in a notice of acceleration being served by the Facility Agent declaring that all Utilisations under the Facilities shall become immediately due and payable.

"**Default**" means an Event of Default or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination under the Finance Documents or any combination of any of the foregoing) be an Event of Default.

"**Defaulting Lender**" means any Lender (other than a Lender which is a Sponsor Affiliate):

(a) which has failed to make its participation in a Loan under any Facility available (or has notified the Facility Agent or the Company (which has notified the Facility Agent) that it will not make its participation in a Loan available) by the Utilisation Date of that Loan in accordance with Clause 5.4 (*Lenders' participation)* or which has failed to provide cash collateral (or has notified the Issuing Bank or the Company (which has notified the Facility Agent) that it will not provide cash collateral) in accordance with Clause 7.4 (*Cash collateral by Non-Acceptable L/C Lender and Borrower's option to provide cash cover*);

(b) which has otherwise rescinded or repudiated a Finance Document;

(c) which is an Issuing Bank which has failed to issue a Letter of Credit (or has notified the Facility Agent or the Company (which has notified the Facility Agent) that it will not issue a Letter of Credit) in accordance with Clause 6.5 (*Issue of Letters of Credit*) or which has failed to pay a claim (or has notified the Facility Agent or the Company (which has notified the Facility Agent) that it will not pay a claim) in accordance with (and as defined in) Clause 7.2 (*Claims under a Letter of Credit*); or

(d) with respect to which an Insolvency Event has occurred and is continuing,

unless, in the case of paragraphs (a) and (c) above:

(i) its failure to pay, or to issue a Letter of Credit is caused by:

(A) administrative or technical error; or

(B) a Disruption Event, and

payment is made within three (3) Business Days of its due date; or

(ii) the Lender is disputing in good faith whether it is contractually obliged to make the payment in question.

"**Designated Gross Amount**" means the amount notified by the Company to the Facility Agent upon the establishment of a Multi-account Overdraft as being the maximum amount of Gross Outstandings that will, at any time, be outstanding under that Multi-account Overdraft.

"**Designated Net Amount**" means the amount notified by the Company to the Facility Agent upon the establishment of a Multi-account Overdraft as being the maximum amount of Net Outstandings that will, at any time, be outstanding under that Multi-account Overdraft.

"**Disruption Event**" means either or both of:

(a) a material disruption to those payment or communications systems or to those financial markets which are, in each case, required to operate in order for payments to be made in connection with the Facilities (or otherwise in order for the transactions contemplated by the Finance Documents to be carried out) which disruption is not caused by, and is beyond the control of, any of the Parties; or

(b) the occurrence of any other event which results in a disruption (of a technical or systems-related nature) to the treasury or payments operations of a Party preventing that, or any other Party:

(i) from performing its payment obligations under the Finance Documents; or

(ii) from communicating with other Parties in accordance with the terms of the Finance Documents,

and which (in either such case) is not caused by, and is beyond the control of, the Party whose operations are disrupted.

"**Distribution**" means in relation to an entity a dividend or other distribution (whether in cash or in kind) made on or in respect of its share capital (or any class of its share capital) and any payment on any Shareholder Loans.

"**Dutch CS Security Documents**" has the meaning given to that term in paragraph (c) of Clause 26 (*Covenants*).

"**EBITDA**" means:

(a) in respect of the Adjusted Group, the net income of the Adjusted Group on a consolidated basis for the testing period plus adding back interest expense, taxes, non-operating expenses and amortisation, depreciation and other non-cash items to the extent deducted and deducting interest income to the extent added; and

(b) in respect of any member of the Group, the net income of that member of the Group on an unconsolidated basis for the testing period (but excluding intra-Group items and investments in Subsidiaries) plus adding back interest expense, taxes, non-operating expenses and amortisation, depreciation and other non-cash items to the extent deducted and deducting interest income to the extent added.

"**EEA Member Country**" means any member state of the European Union, Iceland, Liechtenstein and Norway.

"**Environment**" means humans, animals, plants and all other living organisms including the ecological systems of which they form part and the following media:

(a) air (including, without limitation, air within natural or man-made structures, whether above or below ground);

(b) water (including, without limitation, territorial, coastal and inland waters, water under or within land and water in drains and sewers); and

(c) land (including, without limitation, land under water).

"**Environmental Law**" means any applicable law or regulation which relates to:

(a) the pollution or protection of the Environment;

(b) the conditions of the workplace; or

(c) the generation, handling, storage, use, release or spillage of any substance which, alone or in combination with any other, is capable of causing harm to the Environment, including, without limitation, any waste.

"**Equity**" means the amount of funding provided to the Company by its shareholders or their affiliates (other than members of the Group) either in the form of Capital Stock or Shareholder Loans, whether by way of cash or other assets.

"**EU Bail-In Legislation Schedule**" means the document described as such and published by the Loan Market Association (or any successor person) from time to time.

"**EU Blocking Regulation**" means European Union Regulation (EC) 2271/96, as amended, (or any law or regulation implementing such Regulation in any member state of the European Union or the United Kingdom) or any similar blocking or anti-boycott law, regulation or statute in force from time to time, including the German Blocking Regulation.

"**EU Obligor**" means any Obligor subject to the EU Blocking Regulation.

"**EURIBOR**" means in relation to any Loan denominated in Euro:

(a) the applicable Screen Rate as of the Specified Time for Euro and for a period equal in length to the Interest Period of that Loan; or

(b) as otherwise determined pursuant to Clause 16.1 (*Unavailability of Screen Rate*),

and if, in either case, that rate is less than zero, EURIBOR shall be deemed to be zero.

"**Event of Default**" means any event or circumstance specified as such in Schedule 16 (*Events of Default*).

"**Excluded Guarantor Company**" means an entity which satisfies the requirements of all the sub paragraphs below and which is nominated in writing by the Company as an Excluded Guarantor Company:

(a) it was not a member of the Group on 21 December 2016;

(b) it became a member of the Group after 21 December 2016 in accordance with an acquisition or investment permitted under Clause 6 (*Acquisitions; Investments*) of Schedule 15 (*Negative Covenants*);

(c) it is not a wholly owned member of the Group;

(d) by virtue of arrangements with its other shareholder(s), it could not provide a guarantee of the Facilities (whether limited or not); and

(e) the acquisition of, and any investment made in, such entity by other members of the Group was financed by Equity (or, if not financed by Equity, the Company has received Equity in an amount not less than the fair market value of such acquisition or investment).

"**Excluded Tax**" means any Tax imposed on or calculated by reference to the net income received or receivable (but not any sum deemed to be received or receivable) by a Finance Party under the law of the jurisdiction in which that Finance Party is incorporated or if different, the jurisdiction (or jurisdictions) in which that Finance Party is treated as resident for tax purposes or the jurisdiction in which that Finance Party's Facility Office, or other permanent establishment through which it acts in connection with this Agreement, is located in respect of amounts received or receivable in that jurisdiction.

"**Existing Facilities**" means:

(a) the facilities agreement dated 29 December 2015 (as extended and amended on 20 December 2016, 22 December 2017 and 21 December 2018) with an aggregate commitment of up to US$50,000,000 between, amongst others, GLOBALFOUNDRIES U.S. Inc. and Citibank N.A. (the "**Existing Citibank Facility**");

(b) the banker's guarantee facility with an aggregate amount of US$2,000,000 provided by Citibank N.A., Singapore to GLOBALFOUNDRIES Singapore Pte. Ltd.;

(c) the banker's guarantee facility with an aggregate amount of US$5,000,000 provided by Deutsche Bank AG, Singapore to GLOBALFOUNDRIES Singapore Pte. Ltd.;

(d) the banker's guarantee facility with an aggregate amount of S$37,000,000 provided by Société Générale Singapore Branch to GLOBALFOUNDRIES Singapore Pte. Ltd.;

(e) the First Common Terms Agreement;

(f) the US$1,030,180,000 credit agreement dated on the date of the First Common Terms Agreement between, amongst others, GLOBALFOUNDRIES Inc. and Citibank, N.A. as Ex-Im Facility Agent;

(g) the US$528,000,000 credit agreement dated on the date of the First Common Terms Agreement between, amongst others, GLOBALFOUNDRIES Inc. and Société Générale SA as Atradius Facility Agent;

(h) the Second Common Terms Agreement;

(i) the US$407,600,000 and EUR100,000,000 facility agreement dated on the date of the Second Common Terms Agreement between, amongst others, GLOBALFOUNDRIES Inc., the Mandated Lead Arrangers (as defined therein) and ING Bank N.V. as Atradius Facility Agent;

(j) the US$361,000,000 facility agreement dated on the date of the Second Common Terms Agreement between, amongst others, GLOBALFOUNDRIES Inc., the Mandated Lead Arrangers (as defined therein) and Commerzbank Finance & Covered Bond S.A. as Term Loan Facility Agent;

(k) the US$55,000,000 facility agreement dated on the date of the Second Common Terms Agreement between, amongst others, GLOBALFOUNDRIES Inc., the Mandated Lead Arranger (as defined therein) and Société Générale SA as Tied Commercial Facility Agent;

(l) the US$225,000,000 facility agreement dated 4 August 2017 between, amongst others, GLOBALFOUNDRIES Inc., the banks specified therein as Relevant Lenders (as defined in the Second Common Terms Agreement) and Barclays Bank PLC as Relevant Facility Agent (as defined in the Second Common Terms Agreement);

(m) the Third Common Terms Agreement;

(n) the lease agreement dated on the date of the Third Common Terms Agreement between GLOBALFOUNDRIES Singapore Pte. Ltd as Lessee and Australia and New Zealand Banking Group Limited as Lessor, incorporating the Third Common Terms Agreement;

(o) the lease agreement dated on the date of the Third Common Terms Agreement between GLOBALFOUNDRIES Singapore Pte. Ltd as Lessee and DBS Bank Ltd. as Lessor, incorporating the Third Common Terms Agreement;

(p) the lease agreement dated on the date of the Third Common Terms Agreement between GLOBALFOUNDRIES Singapore Pte. Ltd as Lessee and Bank of America, N.A., Singapore Branch as Lessor, incorporating the Third Common Terms Agreement;

(q) the lease agreement dated on the date of the Third Common Terms Agreement between GLOBALFOUNDRIES Singapore Pte. Ltd as Lessee and Oversea-Chinese Banking Corporation Limited as Lessor, incorporating the Third Common Terms Agreement;

(r) the lease agreement dated 21 January 2019 between GLOBALFOUNDRIES Singapore Pte. Ltd as Lessee and Australia and New Zealand Banking Group Limited as Lessor, in respect of equipment with a total purchase price of US$25,000,000, incorporating the Third Common Terms Agreement;

(s) the lease agreement dated 21 January 2019 between GLOBALFOUNDRIES Singapore Pte. Ltd as Lessee and Australia and New Zealand Banking Group Limited as Lessor, in respect of equipment with a total purchase price of US$75,000,000, incorporating the Third Common Terms Agreement;

(t) the lease agreement dated 21 January 2019 between GLOBALFOUNDRIES Singapore Pte. Ltd as Lessee and Bank of America, N.A., Singapore Branch as Lessor, in respect of equipment with a total purchase price of US$25,000,000, incorporating the Third Common Terms Agreement;

(u) the lease agreement dated 21 January 2019 between GLOBALFOUNDRIES Singapore Pte. Ltd as Lessee and Bank of America, N.A., Singapore Branch as Lessor, in respect of equipment with a total purchase price of US$75,000,000, incorporating the Third Common Terms Agreement;

(v) the lease agreement dated 21 January 2019 between GLOBALFOUNDRIES Singapore Pte. Ltd as Lessee and DBS Bank Ltd. as Lessor, in respect of equipment with a total purchase price of US$50,000,000, incorporating the Third Common Terms Agreement;

(w) the lease agreement dated 21 January 2019 between GLOBALFOUNDRIES Singapore Pte. Ltd as Lessee and DBS Bank Ltd. as Lessor, in respect of equipment with a total purchase price of US$100,000,000, incorporating the Third Common Terms Agreement;

(x) the lease agreement dated 21 January 2019 between GLOBALFOUNDRIES Singapore Pte. Ltd as Lessee and Mitsubishi UFJ Lease (Singapore) Pte. Ltd. as Lessor, in respect of equipment with a total purchase price of US$25,000,000, incorporating the Third Common Terms Agreement;

(y) the lease agreement dated 21 January 2019 between GLOBALFOUNDRIES Singapore Pte. Ltd as Lessee and Oversea-Chinese Banking Corporation Limited as Lessor, in respect of equipment with a total purchase price of US$50,000,000, incorporating the Third Common Terms Agreement;

(z) the EUR50,000,000 facility agreement dated 6 June 2018 between, amongst others, GLOBALFOUNDRIES Inc., GLOBALFOUNDRIES Dresden Module One Limited Liability Company & Co. KG and IKB Deutsche Industriebank AG as Lender;

(aa) the master agreement for receivables purchase with an aggregate commitment of US$150,000,000 dated as of 8 January 2018, between GLOBALFOUNDRIES Singapore Pte. Ltd, a company incorporated and existing under the laws of the Republic of Singapore, as the Seller and Société Générale, Singapore Branch;

(ab) the master agreement for receivables purchase with an aggregate commitment of up to US$55,000,000 dated 8 January 2018 between GLOBALFOUNDRIES U.S. Inc. as the Seller and Société Générale, Singapore Branch;

(ac) the reimbursement agreement dated 29 June 2013 (and as amended on 5 June 2014) between GLOBALFOUNDRIES U.S. Inc. and JP Morgan Chase Bank N.A. for the issuance of a letter of credit in amount of US$32,570,521 (as of 5 June 2019);

(ad) the US$18,465,000 instalment purchase agreement dated 14 June 2016 between GLOBALFOUNDRIES U.S. Inc. and Cisco Systems Capital Corporation;

(ae) the US$21,580,519 lease agreement dated 31 August 2017 between GLOBALFOUNDRIES U.S. 2 LLC and I.Park East Fishkill I LLC;

(af) the US$525,000,000 and EUR200,000,000 credit agreement dated 5 June 2019 between, amongst others, GLOBALFOUNDRIES Inc. and GLOBALFOUNDRIES Borrower LLC as Borrowers, Morgan Stanley Senior Funding, Inc., MUFG Bank, Ltd. and First Abu Dhabi Bank, UAE as Joint Lead Arrangers and Bookrunners and Wilmington Trust, National Association. as Collateral Agent; and

(ag) the US$25,000,000 facility agreement dated 25 March 2019 between GLOBALFOUNDRIES Inc. and Bank of America Merrill Lynch International Designated Activity Company (the "**Existing BAML Facility**"),

in each case as amended, restated or novated.

"**Existing Letter of Credit**" means any letter of credit, bank guarantee, bond, instrument, agreement or assurance (or similar) under or in respect of any debt financing or arrangement made available to the Group or any existing debt (or issued on behalf of or pursuant to a guarantee or indemnity from the Group) and which is issued on behalf of the Group by a Lender (or an Affiliate of a Lender) which is an Issuing Bank under this Agreement, and which is designated in writing as an Existing Letter of Credit by such Issuing Bank which will provide such Letter of Credit and the Company.

"**Expiry Date**" means, for a Letter of Credit, the last day of its Term.

"**Facility**" means the Revolving Facility or the Additional L/C Facility.

"**Facility Agent's Spot Rate of Exchange**" means:

(a) the Facility Agent's spot rate of exchange; or

(b) (if the Facility Agent does not have an available spot rate of exchange) any other publicly available spot rate of exchange selected by the Facility Agent (acting reasonably),

for the purchase of the relevant currency with the Base Currency in the London foreign exchange market at or about 11:00 a.m. on a particular day.

"**Facility Office**" means:

(a) in respect of a Lender or Issuing Bank, the office or offices notified by that Lender or Issuing Bank to the Facility Agent in writing on or before the date it becomes a Lender or Issuing Bank (or, following that date, by not less than five (5) Business Days' written notice) as the office or offices through which it will perform its obligations under this Agreement; or

(b) in respect of any other Finance Party, the office in the jurisdiction in which it is resident for tax purposes.

"**Fallback Interest Period**" means one (1) calendar month.

"**FATCA**" means:

(a) sections 1471 to 1474 of the Code or any associated regulations;

(b) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the US and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (a) above; or

(c) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraphs (a) or (b) above with the IRS, the US government or any governmental or taxation authority in any other jurisdiction.

"**FATCA Application Date**" means:

(a) in relation to a "withholdable payment" described in section 1473(1)(A)(i) of the Code (which relates to payments of interest and certain other payments from sources within the US), 1 July 2014; or

(b) in relation to a "passthru payment" described in section 1471(d)(7) of the Code not falling within paragraph (a) above, the first date from which such payment may become subject to a deduction or withholding required by FATCA.

"**FATCA Deduction**" means a deduction or withholding from a payment under a Finance Document required by FATCA.

"**FATCA Exempt Party**" means a Party that is entitled to receive payments free from any FATCA Deduction.

"**Fee Letter**" means:

(a) any letter or letters dated on or about the Signing Date between a Finance Party and the Company setting out any of the fees referred to in Clause 17 (*Fees*); and

(b) any agreement setting out fees payable to a Finance Party referred to in paragraph (h) of Clause 2.2 (*Increase*) Clause 17.4 (*Fees payable in respect of Letters of Credit*) or Clause 17.5 (*Interest, commission and fees on Ancillary Facilities*) or under any other Finance Document.

"**Fees**" means any fees set out in any Fee Letter, together with any other fees due and payable to a Lender under or in connection with the transactions contemplated by the Finance Documents including the waiver, amendment or modification of any provision thereof or any consent requested thereunder (but for the avoidance of doubt shall not include any costs or expenses due and payable to a Lender or the Facility Agent under any such provisions or any such transactions).

"**Final Maturity Date**" means:

(a) in relation to the Additional L/C Facility, the date falling five (5) years after the Signing Date; and

(b) in relation to the Revolving Facility, the date falling five (5) years after the Signing Date.

"**Finance Documents**" means:

(a) this Agreement;

(b) the Fee Letters;

(c) the Subordination Deed;

(d) each Accession Deed;

(e) any Ancillary Document;

(f) any Utilisation Request;

(g) the Collateral Trust Agreement;

(h) the Transaction Security Documents; and

(i) any other document from time to time designated as such by the Facility Agent and the Company.

"**Finance Lease**" means any lease or hire purchase contract, a liability under which would, in accordance with the Approved Accounting Principles, be treated as a balance sheet liability (other than a lease or hire purchase contract which would, in accordance with the Approved Accounting Principles in force as at the Signing Date, have been treated as an operating lease).

"**Finance Parties**" means the Lenders, the Facility Agent, any Issuing Bank, any Ancillary Lender, the Arrangers and the Bookrunners.

"**Financial Close**" means the date on which the Facility Agent notifies the Company and the Lenders that all of the conditions precedent referred to in Part A (*Conditions Precedent to Financial Close*) of Schedule 2 (*Conditions Precedent*) have been satisfied or waived.

"**Financial Indebtedness**" means any indebtedness for or in respect of:

(a) moneys borrowed;

(b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;

(c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;

(d) the amount of any liability in respect of Finance Leases;

(e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);

(f) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing and classified as borrowings in accordance with the Approved Accounting Principles;

(g) the acquisition cost of any asset or service where such amount is unpaid more than two hundred seventy (270) days after the expiry of the due date thereof (after giving effect to the payment terms customarily allowed by the relevant supplier) save where the payment deferral results from the delayed or non-satisfaction of contract terms by the supplier or from the contract terms establishing payment schedules tied to total or partial contract completion and/or to the results of operational testing procedures;

(h) any Treasury Transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any Treasury Transaction, only the marked-to-market value shall be taken into account);

(i) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution (but not in the support of the performance by a member of the Group under any contract other than in respect of "Financial Indebtedness" falling within any of paragraphs (a) to (g) (inclusive) of this definition); and

(j) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (i) above,

but:

(i) excluding indebtedness owed by one member of the Group to another member of the Group (other than loans made by Non-Obligors to Obligors), Shareholder Loans, all pension provisions and all accounts payable in the ordinary course of business save as provided in paragraph (g) above; and

(ii) without any double counting.

"**Financial Statements**" means, in respect of any person, the cashflow statement, balance sheet, profit and loss account and disclosure of material liabilities relating to such person.

"**Financial Year**" means a financial year of the Company.

"**First Common Terms Agreement**" means the common terms agreement dated 21 December 2012 (as amended and restated on 4 September 2014 and as amended and/or restated from time to time) between, among others, GLOBALFOUNDRIES Inc., Deutsche Bank Trust Company Americas as Global Facility Agent, Export-Import Bank Of The United States as US Ex-Im Bank and Société Générale SA as Atradius Facility Agent.

"**Funding Rate**" means any individual rate notified by a Lender to the Facility Agent pursuant to paragraph (d)(i) of Clause 16.4 (*Cost of funds*).

"**German Additional Guarantor**" means an Additional Guarantor incorporated under the laws of Germany.

"**German Blocking Regulation**" means section 7 of the German Foreign Trade Regulation (*Außenwirtschaftsverordnung*) (in connection with section 4 para 1 no 3 of the German Foreign Trade Act (*Außenwirtschaftsgesetz*)) or a similar anti-boycott statute.

"**German Borrower**" means a Borrower incorporated in Germany.

"**German Qualifying Lender**" means, in respect of interest payable by a German Borrower, a Lender which is beneficially entitled to interest payable to it under a Finance Document and is (a) lending through a Facility Office in Germany, or (b) a German Treaty Lender.

"**German Treaty Lender**" means a Lender which:

(a) is treated as a resident of a German Treaty State for the purposes of the relevant German Treaty;

(b) does not carry on a business in Germany through a permanent establishment with which that Lender's participation in the Loan is effectively connected; and

(c) fulfils any other conditions which must be fulfilled under the relevant German Treaty by residents of the relevant German Treaty State for such residents to obtain full exemption from Tax imposed on interest by the relevant German Treaty State, including the completion of any necessary procedural formalities.

"**German Treaty State**" means a jurisdiction having an avoidance of double taxation agreement (a "**German Treaty**") with Germany which makes provision for full exemption from Tax imposed by Germany on interest.

"**German GAAP**" means generally accepted accounting principles in Germany.

"**German GmbH Guarantor**" has the meaning given to that term in paragraph (b) of Clause 22.11 (*Guarantee limitations*).

"**German Original Obligor**" means an Original Obligor incorporated under the laws of Germany.

"**GmbHG**" has the meaning given to that term in paragraph (b)(i)(B) of Clause 22.11 (*Guarantee limitations*).

"**Government Approval**" means any consent, license, approval, registration, permit, sanction, filing or registration with or other authorisation or other action of any nature that is required to be granted or taken by or with any Governmental Authority.

"**Governmental Authority**" means any national, state, county, city, town, village, municipal or other local governmental department, commission, board, bureau, agency, authority or instrumentality of any relevant nation or any political subdivision thereof, and any person or entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to any of the foregoing entities, including, without limitation, all commissions, boards, bureaus, arbitrators and arbitration panels, and any authority or other person or entity controlled by any of the foregoing.

"**Gross Outstandings**" means, in relation to a Multi-account Overdraft, the Ancillary Outstandings of that Multi-account Overdraft but calculated on the basis that the words "(net of any Available Credit Balance)" in paragraph (a) of the definition of "Ancillary Outstandings" were deleted.

"**Group**" means the Company and its Subsidiaries and "member of the Group" shall be construed accordingly.

"**Guarantor**" means each Original Guarantor and each Additional Guarantor unless it has ceased to be a Guarantor in accordance with Clause 31 (*Changes to the Obligors*).

"**Historic Screen Rate**" means, in relation to any Loan, the most recent applicable Screen Rate for the currency of that Loan and for a period equal in length to the Interest Period of that Loan and which is as of a day which is no more than three (3) calendar days before the Quotation Day.

"**Holding Company**" means, in relation to a company or corporation, any other company or corporation in respect of which it is a Subsidiary.

"**IFRS**" means international accounting standards within the meaning of IAS Regulation 1606/2002 to the extent applicable to the relevant Financial Statements.

"**Impaired Agent**" means the Facility Agent at any time when:

(a) it has failed to make (or has notified a Party that it will not make) a payment required to be made by it under the Finance Documents by the due date for payment;

(b) the Facility Agent otherwise rescinds or repudiates a Finance Document; or

(c) (if the Facility Agent is also a Lender or an Issuing Bank) it is a Defaulting Lender under paragraph (a), (b) or (c) of the definition of "Defaulting Lender"; or

(d) an Insolvency Event has occurred and is continuing with respect to the Facility Agent,

unless, in the case of paragraph (a) above:

(i) its failure to pay is caused by:

(A) administrative or technical error; or

(B) a Disruption Event; and

payment is made within three (3) Business Days of its due date; or

(ii) the Facility Agent is disputing in good faith whether it is contractually obliged to make the payment in question.

"**Increase Confirmation**" means a confirmation substantially in the form set out in Schedule 18 (*Form of Increase Confirmation*).

"**Increase Lender**" has the meaning given to that term in Clause 2.2 (*Increase*).

"**Industry Competitor**" means any person or entity (a "**Principal Competitor**") which is a competitor of the Group in any of the material activities of the Group or any person that is an Affiliate of or is acting on behalf of a Principal Competitor.

"**Information Package**" means any written information concerning the Group which has been prepared by the Company and provided to the Finance Parties on a confidential basis in connection with the entry of the Company into the Facilities.

"**Insolvency Event**" in relation to an entity means that the entity:

(a) is dissolved (other than pursuant to a consolidation, amalgamation or merger);

(b) becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due;

(c) makes a general assignment, arrangement or composition with or for the benefit of its creditors;

(d) institutes or has instituted against it, by a regulator, supervisor, judicial manager or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official;

(e) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition is instituted or presented by a person or entity not described in paragraph (d) above and:

(i) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation; or

(ii) is not dismissed, discharged, stayed or restrained in each case within thirty (30) days of the institution or presentation thereof;

(f) has exercised in respect of it one or more of the stabilisation powers pursuant to Part 1 of the United Kingdom Banking Act 2009 and/or has instituted against it a bank insolvency proceeding pursuant to Part 2 of the United Kingdom Banking Act 2009 or a bank administration proceeding pursuant to Part 3 of the United Kingdom Banking Act 2009;

(g) has a resolution passed for its winding-up, official management, judicial management or liquidation (other than pursuant to a consolidation, amalgamation or merger);

(h) seeks or becomes subject to the appointment of an administrator, provisional liquidator, judicial manager, administrative receiver, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets (other than, for so long as it is required by law or regulation not to be publicly disclosed, any such appointment which is to be made, or is made, by a person or entity described in paragraph (d) above);

(i) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within thirty (30) days thereafter;

(j) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in paragraphs (a) to (i) above; or

(k) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts.

"**Interest Period**" means each period determined under this Agreement by reference to which interest on a Loan or an overdue amount is calculated.

"**Interpolated Historic Screen Rate**" means, in relation to any Loan, the rate (rounded to the same number of decimal places as the two relevant Screen Rates) which results from interpolating on a linear basis between:

(a) the most recent applicable Screen Rate for the longest period (for which that Screen Rate is available) which is less than the Interest Period of that Loan; and

(b) the most recent applicable Screen Rate for the shortest period (for which that Screen Rate is available) which exceeds the Interest Period of that Loan,

each for the currency of that Loan and each of which is as of a day which is no more than three (3) calendar days before the Quotation Day.

"**Interpolated Screen Rate**" means, in relation to any Loan, the rate (rounded to the same number of decimal places as the two relevant Screen Rates) which results from interpolating on a linear basis between:

(a) the applicable Screen Rate for the longest period (for which that Screen Rate is available) which is less than the Interest Period of that Loan; and

(b) the applicable Screen Rate for the shortest period (for which that Screen Rate is available) which exceeds the Interest Period of that Loan,

each as of the Specified Time for the currency of that Loan.

"**IRS**" means the U.S. Internal Revenue Service.

"**Issuing Bank**" means:

(a) in respect of the Additional L/C Facility, the Original Additional L/C Lender; and

(b) in respect of the Revolving Facility, any Lender which has become a Party as an Issuing Bank pursuant to Clause 6.10 (*Appointment of additional Issuing Banks*),

(and if there is more than one such Issuing Bank, such Issuing Banks shall be referred to, whether acting individually or together, as the "**Issuing Bank**") **provided that**, in respect of a Letter of Credit issued or to be issued pursuant to the terms of this Agreement, the "**Issuing Bank**" shall be the Issuing Bank which has issued or agreed to issue that Letter of Credit.

"**L/C Proportion**" means in relation to a Lender in respect of any Letter of Credit issued under a Facility, the proportion (expressed as a percentage) borne by that Lender's Available Commitment under that Facility to the relevant Available Facility immediately prior to the issue of that Letter of Credit, adjusted to reflect any assignment or transfer under this Agreement to or by that Lender.

"**Legal Reservation**" means:

(a) the principle that equitable remedies may be granted or refused at the discretion of a court and the limitation of enforcement by laws relating to insolvency, reorganisation and other laws generally affecting the rights of creditors;

(b) the time barring of claims under the Limitation Acts, the possibility that an undertaking to assume liability for or indemnify a person against non-payment of UK stamp duty may be void and defences of set-off or counterclaim;

(c) similar principles, rights and defences under the laws of any relevant jurisdiction; and

(d) any other matters which are set out as qualifications or reservations as to matters of law of general application in any legal opinion delivered to the Facility Agent in connection with this Agreement.

"**Lender**" means:

(a) any Original Lender; or

(b) any person which becomes a Party as a "Lender" in accordance with Clause 2.2 (*Increase*) or Clause 29 (*Changes to the Lenders*),

which in each case has not ceased to be a Party as such in accordance with the terms of this Agreement.

"**Letter of Credit**" means:

(a) a letter of credit, substantially in the form set out in Schedule 10 (*Form of Letter of Credit*) or in any other form requested by the Company and:

(i) in respect of the Additional L/C Facility, agreed by the Facility Agent with the prior consent of the Majority L/C Lenders and the relevant Issuing Bank; or

(ii) in respect of the Revolving Facility, agreed by the Facility Agent with the prior consent of the Majority RCF Lenders and the relevant Issuing Bank; or

(b) any guarantee, indemnity or other instrument in a form requested by a Borrower (or the Company on its behalf) and:

(i) in respect of the Additional L/C Facility, agreed by the Facility Agent with the prior consent of the Majority L/C Lenders and the relevant Issuing Bank; or

(ii) in respect of the Revolving Facility, agreed by the Facility Agent with the prior consent of the Majority RCF Lenders and the relevant Issuing Bank.

"**Leverage Ratio**" means, in relation to any Calculation Date, the ratio of Senior Debt to Total Capitalisation on such date.

"**LIBOR**" means, in relation to any Loan denominated in Dollars:

(a) the applicable Screen Rate as of the Specified Time for the currency of that Loan and for a period equal in length to the Interest Period of that Loan; or

(b) as otherwise determined pursuant to Clause 16.1 (*Unavailability of Screen Rate*),

and if, in either case, that rate is less than zero, LIBOR shall be deemed to be zero.

"**Limitation Acts**" means the Limitation Act 1980 and the Foreign Limitation Periods Act 1984.

"**LMA**" means the Loan Market Association.

"**Loan**" means a loan made or to be made under the Revolving Facility or the principal amount outstanding for the time being of that loan.

"**Loan-To-Own/Distressed Investors**" means any person whose principal business or material activity is in investment strategies whose primary purpose is the purchase of loans or other debt securities with the intention of owning the equity or gaining control of a business (directly or indirectly) (the "**Specified Investment Strategies**"), **provided that**:

(a) Affiliates or Related Funds of such persons:

(i) whose principal business is not, and who do not have as a material activity, a Specified Investment Strategy;

(ii) which are managed and controlled independently; and

(iii) where any information made available under the Finance Documents is not disclosed or otherwise made available to other Affiliates or Related Funds that are Loan to Own/Distressed Investors; and

(b) the Original Lenders,

shall not, in each case, be a Loan to Own/Distressed Investor.

"**Majority Lenders**" means a Lender or Lenders whose Commitments aggregate more than fifty per cent. (50%) of the Total Commitments (or if the Total Commitments have been reduced to zero, whose Commitments aggregated more than fifty per cent. (50%) of the Total Commitments immediately prior to that reduction).

"**Majority L/C Lenders**" means

(a) (for the purposes of paragraph (a) of Clause 42.1 (*Required consents*) in the context of a waiver in relation to a proposed Utilisation of the Additional L/C Facility (other than a Utilisation on the Closing Date) of the condition in Clause 4.2 (*Further conditions precedent*)), a Lender or Lenders whose Additional L/C Facility Commitments aggregate more than fifty per cent. (50%) of the Total Additional L/C Facility Commitments; and

(b) (in any other case), a Lender or Lenders whose Additional L/C Facility Commitments aggregate more than fifty per cent. (50%) of the Total Additional L/C Facility Commitments (or if the Total Additional L/C Facility Commitments have been reduced to zero, whose Commitments aggregated more than fifty per cent. (50%) of the Total Additional L/C Facility Commitments immediately prior to that reduction).

"**Majority RCF Lenders**" means:

(a) (for the purposes of paragraph (a) of Clause 42.1 (*Required consents*) in the context of a waiver in relation to a proposed Utilisation of the Revolving Facility (other than a Utilisation on the Closing Date) of the condition in Clause 4.2 (*Further conditions precedent*)), a Lender or Lenders whose Revolving Facility Commitments aggregate more than fifty per cent. (50%) of the Total Revolving Facility Commitments; and

(b) (in any other case), a Lender or Lenders whose Revolving Facility Commitments aggregate more than fifty per cent. (50%) of the Total Revolving Facility Commitments (or if the Total Revolving Facility Commitments have been reduced to zero, whose Revolving Facility Commitments aggregated more than fifty per cent. (50%) of the Total Revolving Facility Commitments immediately prior to that reduction).

"**Management Determination**" has the meaning given to that term in paragraph (b)(iii)(B) of Clause 22.11 (*Guarantee limitations*).

"**Margin**" means:

(a) in relation to any Revolving Facility Loan two point seven-five per cent. (2.75%) per annum;

(b) in relation to any Unpaid Sum relating or referable to a Facility, the rate per annum specified above for that Facility; and

(c) in relation to any other Unpaid Sum, the highest rate specified above.

"**Material Adverse Effect**" means a material adverse effect on:

(a) the Obligors' ability to pay any amounts due under the Finance Documents; or

(b) the business and financial condition of the Group taken as a whole.

"**Multi-account Overdraft**" means an Ancillary Facility which is an overdraft facility comprising more than one account.

"**Net Assets**" for the purposes of Clause 22 (*Guarantee and Indemnity*) has the meaning given to that term in paragraph (b)(i)(A) of Clause 22.11 (*Guarantee limitations*).

"**Net Interest**" means, in respect of the Adjusted Group on a consolidated basis, interest expense to the extent paid in cash less interest income to the extent received in cash during the relevant Calculation Period, determined in accordance with the Approved Accounting Principles.

"**Net Outstandings**" means, in relation to a Multi-account Overdraft, the Ancillary Outstandings of that Multi-account Overdraft.

"**New Lender**" has the meaning given to that term in Clause 29.1 (*Assignments and transfers by the Lenders*).

"**Non-Acceptable L/C Lender**" means a Lender which:

(a) is not an Acceptable Bank within the meaning of paragraph (a) of the definition of "Acceptable Bank" (other than (i) an Arranger, (ii) an Original Lender, (iii) an Affiliate of an Issuing Bank or (iii) a Lender which each relevant Issuing Bank (acting reasonably) has agreed is acceptable to it notwithstanding that fact);

(b) is a Defaulting Lender; or

(c) has failed to make (or has notified the Facility Agent that it will not make) a payment to be made by it under Clause 7.3 (*Indemnities*) or Clause 32.11 (*Lenders' indemnity to the Facility Agent*) or any other payment to be made by it under the Finance Documents to or for the account of any other Finance Party in its capacity as Lender by the due date for payment unless the failure to pay falls within the description of any of those items set out at paragraphs (i)(A) and (i)(B) of the definition of "Defaulting Lender".

"**Non-Obligors**" means a member of the Group that is neither an Obligor nor an Excluded Guarantor Company.

"**Obligor**" means a Borrower or a Guarantor.

"**Obligors' Agent**" means the Company, appointed to act on behalf of each Obligor in relation to the Finance Documents pursuant to Clause 2.4 (*Obligors' Agent*).

"**Optional Currency**" means a currency (other than the Base Currency) which complies with the conditions set out in Clause 4.3 (*Conditions relating to Optional Currencies*).

"**Original Obligor**" means an Original Borrower or an Original Guarantor.

"**Other Borrower**" means a Borrower other than the Company, a Singapore Borrower, a US Borrower or a German Borrower.

"**Other Qualifying Lender**" means, in respect of interest payable by an Other Borrower, a Lender which is beneficially entitled to interest payable to that Lender in respect of an advance under a Finance Document and is (a) lending through a Facility Office in the jurisdiction in which the Other Borrower is resident for tax purposes; or (b) an Other Treaty Lender.

"**Other Treaty Lender**" means a Lender which:

(a) is treated as a resident of the relevant Other Treaty State for the purposes of the relevant Other Treaty;

(b) does not carry on a business in the jurisdiction in which the relevant Borrower is resident for tax purposes through a permanent establishment with which that Lender's participation in the Loan is effectively connected; and

(c) fulfils any other conditions which must be fulfilled under the relevant Other Treaty by residents of the relevant Other Treaty State for such residents to obtain full exemption from Tax imposed on interest by the jurisdiction in which the Borrower is resident for tax purposes, including the completion of any necessary procedural formalities.

"**Other Treaty State**" means a jurisdiction having a double taxation agreement (an "**Other Treaty**") with the jurisdiction in which the Borrower is resident for tax purposes which makes provision for full exemption from Tax imposed by that jurisdiction on interest.

"**Participating Member State**" means any member state of the European Union that has the Euro as its lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union.

"**Party**" means a party to this Agreement.

"**Payment Demand**" has the meaning given to that term in paragraph (b)(iii) of Clause 22.11 (*Guarantee limitations*).

"**Permitted Disposal**" means any of the following sales, leases, licences, transfers, or other disposals (each, a "**disposition**") by a member of the Group:

(a) sales of inventory and product;

(b) leases of or other agreements relating to unused or underutilised production capacity in the ordinary course of business;

(c) agreements relating to dedication of production capacity to customers, in the form of leases or otherwise, or the licensing or other disposition of intellectual property or other property in connection with joint development or co-development arrangements or agreements or other licensing or disposition of intellectual property, in each case in the ordinary course of business;

(d) (A) dispositions of any of its assets that are (1) uneconomic or obsolete; (2) no longer used or useful or necessary in connection with the operation of its business; or (3) at the end of their useful life and that, to the extent necessary for the operation of its business, are replaced by other property or assets of equal value and utility as at the beginning of its useful life; or (B) dispositions of any intellectual property rights or interests **provided that** the aggregate consideration for such dispositions by members of the Group shall not exceed US$50,000,000 (or its equivalent in any other currency or currencies) in any Financial Year;

(e) dispositions of cash or Cash Equivalent Investments not otherwise prohibited under the Finance Documents;

(f) dispositions of assets in exchange for other assets comparable or superior as to type, value and quality;

(g) dispositions made with the prior consent of the Facility Agent;

(h) without limiting any other restrictions on any such transaction set forth herein, dispositions of receivables or inventory pursuant to (1) any securitisation, factoring or other working capital financing or (2) any financing permitted under paragraph (h) of the definition of "Permitted Indebtedness" and any disposition required as part of a transaction permitted under paragraphs (f) or (j) of the definition of "Permitted Indebtedness";

(i) dispositions of the shares of, or other ownership interests in, any Obligor or other asset where the net proceeds of that disposition are applied within three (3) months (A) in permanent

repayment of Financial Indebtedness secured on the asset which has been disposed of and/or (B) in permanent prepayment of any Facility or, at the option of the Company, the Facilities and other Financial Indebtedness (other than Shareholder Loans) of an Obligor or Obligors on a *pro rata* basis and/or (C) in reinvestment, if the asset comprises shares of, other ownership interests in, or assets of, an Obligor, in an Obligor or its assets or business and otherwise in any member of the Group or its assets or business, **provided that** if the disposing entity is a member of the Group that is not an Excluded Guarantor Company and the asset being disposed of is not an ownership interest in an Excluded Guarantor Company, such reinvestment shall not be permitted in the ownership interests in or the assets or business of an Excluded Guarantor Company;

(j) dispositions (A) from an Obligor to another Obligor, (B) from a Non-Obligor to another Non-Obligor, (C) from a Non-Obligor to an Obligor or (D) from an Obligor to a Non-Obligor;

(k) dispositions by Obligors which are permitted by Clause 6 (*Acquisitions; Investments*) of Schedule 15 (*Negative Covenants*);

(l) dispositions which are Permitted Security; or

(m) dispositions where the higher of the market value or consideration receivable (when aggregated with the higher of the market value or consideration receivable for any other dispositions, other than any disposition falling under any other paragraph of this definition of Permitted Disposal) does not exceed one per cent. (1.00%) of Total Assets of the Group in such Financial Year,

provided that no material disposition shall be a Permitted Disposal for the purposes of this definition unless made on arm's length terms or better except for the following:

(i) dispositions permitted under paragraphs (j)(A) or (j)(B) above and paragraph (j)(D) above;

(ii) dispositions permitted under paragraph (k) to the extent comprising a Permitted Investment under paragraph (b) of such definition; and

(iii) an intra-Group Reorganisation permitted under Clause 3 (*Merger*) of Schedule 15 (*Negative Covenants*),

provided further that the aggregate of the difference between the market value of the assets disposed of pursuant to transactions under paragraphs (j)(D) and (k) which are not on arm's length terms or better and the aggregate consideration therefor shall not exceed US$50,000,000 (or its equivalent in any other currency or currencies) in any Financial Year.

"**Permitted Indebtedness**" means any Financial Indebtedness:

(a) incurred under or pursuant to the Finance Documents;

(b) owed by a member of the Group which is fully subordinated to the amounts owing to the Finance Parties under the Finance Documents in accordance with the provisions of the Subordination Deed or otherwise on terms acceptable to the Finance Parties;

(c) incurred under or pursuant to (A) the Existing Facilities or (B) Finance Leases existing prior to the Signing Date to the extent that the aggregate Financial Indebtedness under such Finance Leases does not exceed the relevant amount described in Schedule 20 (*Existing Finance Leases*);

(d) incurred for the purpose of refinancing Financial Indebtedness existing on the Signing Date **provided that** the weighted average life to maturity of the new Financial Indebtedness is not shorter than that of the Financial Indebtedness being refinanced;

(e) consisting of revolving working capital indebtedness up to a maximum aggregate amount in respect of all of the Obligors of US$750,000,000 (or its equivalent in any other currency or currencies) (less any Permitted Indebtedness outstanding under paragraph (h) below only, at such time) outstanding at any time and maturing not later than three hundred and sixty-five (365) calendar days after the date incurred (although any such revolving working capital facility availability period may be longer than one (1) year);

(f) incurred within ninety (90) calendar days of the completion of the acquisition of fixed or capital assets to finance or refinance the acquisition of such asset **provided that** such Financial Indebtedness only relates to the assets so acquired and the aggregate amount of all such Financial Indebtedness does not exceed US$250,000,000 (or its equivalent in any other currency or currencies) at any time;

(g) which is incurred pursuant to the operation of cash pooling, net balance or balance transfer arrangements made available to members of the Group **provided that** the aggregate amount owing by Non-Obligors to Obligors pursuant to such arrangements shall not exceed US$200,000,000 (or its equivalent in any other currency or currencies) at any time;

(h) arising in relation to the sale or disposal of receivables or inventory permitted under paragraph (h) of the definition of "Permitted Disposal" or secured on receivables or inventory **provided that** the aggregate amount of Financial Indebtedness outstanding at any time under all such securitisation, factoring and other working capital or other financing shall not exceed US$750,000,000 (or its equivalent in any other currency or currencies) at any time;

(i) arising under Treasury Transactions entered into on arm's length terms and for non-speculative purposes in the ordinary course of business;

(j) under Finance Leases including sale and leaseback transactions in the ordinary course of business, **provided that** the aggregate capital value of all such assets so leased under outstanding leases by members of the Group does not exceed US$750,000,000 (or its equivalent in any other currency or currencies) at any time (less any Permitted Indebtedness outstanding under paragraph (f) of this definition only, at such time);

(k) arising under any Permitted Investment;

(l) guarantees, indemnities or counter-indemnity obligations incurred by an Obligor given in connection with Permitted Indebtedness or Financial Indebtedness that is otherwise permitted under Clause 5 (*Financial Indebtedness*) of Schedule 15 (*Negative Covenants*) (including any guarantee, indemnity or counter-indemnity obligation which is within paragraphs (i) or (j) of the definition of "Financial Indebtedness" in respect of Financial Indebtedness of another

Obligor) but, if in respect of a Non-Obligor, only as permitted under paragraph (b) of the definition of "Permitted Investment";

(m) counter-indemnity obligations falling within paragraph (i) of the definition of "Financial Indebtedness" arising in the ordinary course of business and where the relevant guarantee, indemnity, bond, standby or documentary letter of credit or other instrument does not support or relate to Financial Indebtedness;

(n) incurred in connection with any financing or refinancing by or, insured, guaranteed or otherwise supported by, any export credit agency, any other governmental, quasi-governmental, multi-lateral, federal institution or agency, or any similar institution or agency where the terms of such financing or refinancing provide for the incurrence of such Financial Indebtedness by a subsidiary of the Company, **provided that** the aggregate amount of all such Financial Indebtedness does not exceed US$500,000,000 (or its equivalent in any other currency or currencies) at any time;

(o) incurred in connection with any financing or refinancing by or, insured guaranteed or otherwise supported by the European Investment Bank's on-lending programme where the terms of such financing or refinancing provide for the incurrence of such Financial Indebtedness by a subsidiary of the Company, **provided that** the aggregate amount of all such Financial Indebtedness does not exceed US$100,000,000 (or its equivalent in any other currency or currencies) at any time;

(p) incurred by a wholly-owned direct Subsidiary of the Company as a co-borrower of Financial Indebtedness **provided that**: (A) such Financial Indebtedness is also incurred by the Company as a co-borrower, (B) the incurrence of such Financial Indebtedness by the Company is permitted pursuant to this Agreement, and (C) such Subsidiary does not carry out any manufacturing or trade activities or any other business activities (other than any activities reasonably necessary for maintaining its existence), does not have any material liabilities (other than as co-borrower of such Financial Indebtedness and obligations pursuant to the foregoing permitted business activities), and does not own any material assets (including Capital Stock, shares or other ownership interests in any company, corporation, partnership or other entity) other than as reasonably necessary for maintaining its existence; and

(q) (other than Financial Indebtedness described in paragraphs (a) to (p) above) which in aggregate does not exceed US$350,000,000 (or its equivalent in any other currency or currencies) at any time outstanding.

"**Permitted Investment**" means any of the following:

(a) any acquisition or investment to the extent financed by Equity;

(b) without limiting Clause 7 (*Guarantor Coverage*) of Schedule 14 (*Affirmative Covenants*), any acquisition from or investment (including any loan to, or guarantee in respect of, Financial Indebtedness of any other member of the Group) in another member of the Group **provided that**:

(i) the aggregate of (1) loans by Obligors to Non-Obligors and (2) guarantees by Obligors of Financial Indebtedness of Non-Obligors shall not exceed the sum of (x) US$50,000,000 (or its equivalent in any other currency or currencies) and (y) the

amount of existing loans and guarantees made, or committed to be made, prior to the Signing Date and described in Part A of Schedule 21 (*Existing Investment Commitments*) (including any refinancing or replacement thereof up to the maximum amount thereof outstanding or committed as at the Signing Date) at any time; and

(ii) the aggregate of other investments made in Non-Obligors by Obligors after the Signing Date (other than (i) the China Investment; and (ii) investments already committed at the Signing Date and described in Part B of Schedule 21 (*Existing Investment Commitments*)) shall not exceed the aggregate of US$50,000,000 (or its equivalent in any other currency or currencies) in any Financial Year plus the aggregate of Equity contributed to the Group after the Signing Date and applied in such investments;

(c) any acquisition of or investments in cash or Cash Equivalent Investments;

(d) any acquisition of additional equity ownership interests in any existing Affiliate Investment;

(e) loans made to an employee or director of any member of the Group whether pursuant to a share option scheme or otherwise; **provided that** the amount of that loan when aggregated with the amount of all loans to employees and directors by any member of the Group shall not exceed US$10,000,000 (or its equivalent in any other currency or currencies) at any time;

(f) a loan, which does not constitute Financial Indebtedness, which is given or made in the ordinary course of business;

(g) any investment in an entity engaged in business reasonably related to the core business of the Group if such entity is made or becomes an Obligor within ninety (90) calendar days of such investment occurring;

(h) any acquisitions or investment which is provided for in paragraph (f) of the definition of "Permitted Disposals" or results from a transaction permitted under Clause 3 (*Merger*) of Schedule 15 (*Negative Covenants*) (**provided that** such transaction is also in compliance with paragraph (b) of this definition);

(i) any refinancing, renewal or replacement of a loan or other investment outstanding on the Signing Date (up to the maximum amount thereof outstanding or committed as at the Signing Date); or

(j) acquisitions and investments not otherwise permitted by this definition, which will not cause a breach of Clause 9 (*Nature of Business*) of Schedule 15 (*Negative Covenants*), where the relevant consideration does not exceed in aggregate, for each Financial Year, one per cent. (1%) of Total Assets of the Group.

"**Permitted Security**" means:

(a) any Security or Quasi-Security entered into pursuant to any Finance Document;

(b) any Security or Quasi-Security in respect of Finance Leases described in paragraph (c)(B) of the definition of "Permitted Indebtedness";

(c) any netting or set-off arrangement entered into in the ordinary course of the banking arrangements of the relevant member of the Group for the purpose of netting debit and credit balances, including under any cash pooling permitted under this Agreement, **provided that** the aggregate amount owing by Non-Obligors to Obligors under such arrangements shall not exceed US$200,000,000 (or its equivalent in any other currency or currencies) at any time;

(d) any payment or close out netting or set-off arrangement, including section 6(f) of the 2002 ISDA Master Agreement or any provision which is similar in meaning and effect, under documentation for any Treasury Transaction entered into for the purpose of:

(i) hedging any risk to which any member of the Group is exposed in its ordinary course of business and for non-speculative purposes only; or

(ii) its interest rate or currency management operations which are carried out in the ordinary course of business and for non-speculative purposes only,

excluding, in each case, any Security or Quasi-Security under a credit support arrangement in relation to a Treasury Transaction;

(e) any Security or Quasi-Security in connection with:

(i) any securitisation, factoring or other working capital financing;

(ii) any financing permitted under paragraph (h) of the definition of "Permitted Indebtedness"; or

(iii) any disposal of receivables or inventory permitted under paragraph (h) of the definition of "Permitted Disposals",

provided that any such Security or Quasi-Security is limited to Security or Quasi-Security over (A) the receivables or inventory that are the subject of the relevant financing, (B) shares or investments in any entity engaged solely in the business of effecting or facilitating any such financings and (C) any bank accounts or other assets of such entity;

(f) any Security arising by operation of law and in the ordinary course of business;

(g) any Security imposed by law for taxes that are not yet due or are being contested in good faith by appropriate proceedings and for which appropriate reserves have been established in accordance with Approved Accounting Principles;

(h) any Security or Quasi-Security over or affecting any asset acquired after the Signing Date if:

(i) the Security or Quasi-Security was not created in contemplation of the acquisition of that asset;

(ii) the principal amount secured has not been increased in contemplation of or since the acquisition of that asset by a member of the Group; and

(iii) the Security or Quasi-Security is removed or discharged within three (3) months of the date of acquisition of such asset;

(i) any Security or Quasi-Security over or affecting any asset of any person which becomes a member of the Group after the date of this Agreement, where the Security or Quasi-Security is created prior to the date on which that person becomes a member of the Group, if:

(i) the Security or Quasi-Security was not created in contemplation of the acquisition of that person;

(ii) the principal amount secured has not increased in contemplation of or since the acquisition of that person; and

(iii) the Security or Quasi-Security is removed or discharged within three (3) calendar months of that person becoming a member of the Group;

(j) any Security or Quasi-Security arising under any retention of title, extended retention of title (*verlängerter Eigentumsvorbehalt*), hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods supplied in the ordinary course of business or, in the case of an extended retention of title arrangement, receivables resulting from the sale of such goods and on the supplier's standard or usual terms and not arising as a result of any default or omission by any member of the Group;

(k) any Security or Quasi-Security in respect of Finance Lease obligations or sale and leaseback transactions in the ordinary course of business permitted pursuant to Clause 5 (*Financial Indebtedness*) of Schedule 15 (*Negative Covenants*);

(l) any Security in respect of purchase-money indebtedness entered into by a member of the Group (as described in paragraph (f) of the definition of "Permitted Indebtedness") **provided that** any such Security shall encumber only the assets acquired with or whose acquisition is refinanced by the proceeds of such indebtedness;

(m) any Security or Quasi-Security over any assets of any member of the Group securing any Financial Indebtedness ("**Third Party Secured Debt**") **provided that** either:

(i) the same Security or Quasi-Security over the same assets has been provided to the Finance Parties and/or the Collateral Agent, as applicable, on a *pari passu* basis pursuant to the Collateral Trust Agreement and the Lenders have acceded thereto; or

(ii) each of the following is satisfied:

(A) the same Security or Quasi-Security over the same assets has been provided to the Finance Parties and/or the Collateral Agent, as applicable, on a *pari passu* basis and in form and substance satisfactory to the Lenders, and each such document is designated as a Finance Document;

(B) the Lenders and the providers of the Third Party Secured Debt, among others, have entered into a New York law-governed collateral trust agreement (or intercreditor agreement) in form and substance satisfactory to the Finance Parties acting reasonably and containing, among other things, any related appointment of a security agent or trustee in respect of the Security and Quasi-Security referred to in (A) above;

(C) the Facility Agent has customary legal opinions addressed to, or upon which reliance is permitted to, the Finance Parties in form and substance satisfactory to the Lenders from counsel to the Obligors (or, to the extent consistent with market practice in the relevant jurisdiction, counsel to the Finance Parties) with respect to the legal, valid, binding nature of the documents referred to in (A) above and the capacity and authority of any Obligor party thereto;

(D) the Facility Agent has received a certified copy of the resolution of the board of directors and shareholders resolution (to the extent required) of any Obligor party to the documents referred to in (A) above: (1) approving the terms of, and the transactions contemplated by, such documents to which the relevant Obligor is party and resolving that it execute such documents, (2) authorising a specified person or persons to execute such documents to which the relevant Obligor is party on its behalf and (3) authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices to be signed and/or despatched by it under or in connection with such documents to which the relevant Obligor is party; and

(E) the Facility Agent has received a specimen of the signature of persons authorised by the resolutions referred to in paragraph (ii)(D) above and these are certified to be true and correct;

(n) any lien arising under the general terms and conditions of banks and Sparkassen (*Allgemeine Geschäftsbedingungen der Banken und Sparkassen*) or similar general terms and conditions of banks with whom any member of the Group maintains a banking relationship in the ordinary course of business;

(o) any landlord's pledge (*Vermieterpfandrecht*) arising by operation of law under a lease in favour of the relevant third party landlord; or

(p) any Security or Quasi-Security over, or in respect of, any equipment or other assets of GLOBALFOUNDRIES Dresden Module One LLC & CO. KG and GLOBALFOUNDRIES Dresden Module One LLC & CO. KG in respect of Financial Indebtedness; or

(q) any Security or Quasi-Security securing Financial Indebtedness the principal amount of which (when aggregated with the principal amount of any other Financial Indebtedness which has the benefit of any Security or Quasi-Security other than any permitted under sub-paragraphs (a) to (p) above) does not exceed one per cent. (1.00%) of Total Assets of the Group at any time.

"**Projected Leverage Ratio**" means, in relation to any Calculation Date falling on or prior to the Final Maturity Date, the ratio of projected Senior Debt to projected Total Capitalisation on such date (such projections in each case being made in the reasonable judgment of an authorised officer of the Company).

"**Prudent Industry Practice**" means those practices, methods, equipment, specifications and standards of safety and performance, as the same may change from time to time, as are commonly used by foundries comparable to the relevant foundry operated by the Group as good, safe and prudent engineering practices in connection with the operation, maintenance, repair and use of electricity

generation and other equipment and facilities, with commensurate standards of safety, performance, dependability, efficiency and economy.

"**Qualifying Lender**" means:

(a) in respect of a Singapore Borrower, a Singapore Qualifying Lender;

(b) in respect of a US Borrower, a US Qualifying Lender;

(c) in respect of a German Borrower, a German Qualifying Lender; and

(d) in respect of interest payable by an Other Borrower, an Other Qualifying Lender.

"**Quarter Date**" means each 31 March, 30 June, 30 September and 31 December.

"**Quasi-Security**" has the meaning given to that term in Clause 1 (*Negative Pledge*) of Schedule 15 (*Negative Covenants*).

"**Quotation Day**" means, in relation to any period for which an interest rate is to be determined:

(a) if the currency is the Base Currency, two (2) Business Days before the first day of that period;

(b) if the currency is Euros, two (2) TARGET Days before the first day of that period; or

(c) (for any other currency), two (2) Business Days before the first day of that period,

(unless market practice differs in the Relevant Market for that currency, in which case the Quotation Day will be determined by the Facility Agent in accordance with market practice in the Relevant Market (and if quotations would normally be given by leading banks in the Relevant Market on more than one (1) calendar day, the Quotation Day will be the last of those days)).

"**Reaffirmation Agreement**" means a reaffirmation agreement in respect of the Collateral Trust Agreement dated on or about the date of this Agreement and executed by the relevant Obligors party to the Collateral Trust Agreement.

"**Reference Bank Quotation**" means any quotation supplied to the Facility Agent by a Reference Bank.

"**Reference Bank Rate**" means:

(a) the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Facility Agent at its request by the Reference Banks:

(i) in relation to LIBOR as either:

(A) if:

(1) the Reference Bank is a contributor to the applicable Screen Rate; and

(2) it consists of a single figure,

the rate (applied to the relevant Reference Bank and the relevant currency and period) which contributors to the applicable Screen Rate are asked to submit to the relevant administrator; or

(B) in any other case, the rate at which the relevant Reference Bank could fund itself in the relevant currency for the relevant period with reference to the unsecured wholesale funding market; or

(ii) in relation to EURIBOR:

(A) (other than where paragraph (B) below applies) as the rate at which the relevant Reference Bank believes one prime bank is quoting to another prime bank for interbank term deposits in Euro within the Participating Member States for the relevant period; or

(B) if different, as the rate (if any and applied to the relevant Reference Bank and the relevant period) which contributors to the applicable Screen Rate are asked to submit to the relevant administrator.

"**Reference Banks**" means the principal London or other offices of such banks as may be appointed by the Facility Agent in consultation with the Company (provided any such bank has consented to be a Reference Bank for the purposes of this Agreement).

"**Related Fund**" in relation to a fund (the "**first fund**"), means a fund which is managed or advised by the same investment manager or investment adviser as the first fund or, if it is managed by a different investment manager or investment adviser, a fund whose investment manager or investment adviser is an Affiliate of the investment manager or investment adviser of the first fund.

"**Relevant Market**" means, in relation to the Base Currency, the London interbank market, and in relation to Euros, the European interbank market.

"**Renewal Request**" means a written notice delivered to the Facility Agent in accordance with Clause 6.6 (*Renewal of a Letter of Credit*).

"**Reorganisation**" means a corporate reorganisation of one or more members of the Group whereby all or substantially all of the assets of one or more members of a Group are transferred to other members of the Group and the transferring entity or entities ceases or cease business or is or are dissolved.

"**Repeating Representations**" means the representations set out in Schedule 12 (*Representations*) other than those set out in Clauses 4 (*No Proceedings*), 6 (*No Default*), 7 (*Provision of Information*), 8 (*Solvency*), 9 (*Financial Statements*), 11 (*Applicable Laws*), 13 (*Taxes*), 15 (*Anti-Money Laundering*), 16 (*Immunity*), 18 (*Pari Passu Ranking*) and 19 (*Projections*).

"**Replacement Lender**" has the meaning given to that term in Clause 42.10 (*Replacement of a Defaulting Lender*).

"**Representative**" means any delegate, agent, manager, administrator, nominee, attorney, trustee or custodian.

"**Resignation Letter**" means a letter substantially in the form set out in Schedule 8 (*Form of Resignation Letter*).

"**Resolution Authority**" means any body which has authority to exercise any Write-down and Conversion Powers.

"**Restricted Lender**" means a Lender that notifies the Facility Agent that complying with a given Sanction would result in a violation of, a conflict with, or liability under the EU Blocking Regulation or any national law contemplating a similar anti-boycott regulation.

"**Retiring Guarantor**" has the meaning given to that term in Clause 22.9 (*Release of Guarantors' right of contribution*).

"**Revenues**" means, in respect of a Calculation Period:

(a) in respect of the Company, the net revenues of the Company on a consolidated basis for that Calculation Period, as demonstrated by the consolidated Financial Statements for that period; and

(b) in respect of any other member of the Group, the net revenues of that member of the Group on an unconsolidated basis for that Calculation Period as demonstrated by the relevant consolidated Financial Statements for that period (but excluding intra-Group items and investments in Subsidiaries).

"**Revolving Facility**" means the revolving credit facility made available under this Agreement as described in paragraph (a)(ii) of Clause 2.1 (*The Facilities*).

"**Revolving Facility Commitment**" means:

(a) in relation to an Original Lender, the amount in the Base Currency set opposite its name under the heading "Revolving Facility Commitment" in Part C (*Original Lenders*) of Schedule 1 (*The Original Parties*) and the amount of any other Revolving Facility Commitment transferred to it under this Agreement or assumed by it in accordance with Clause 2.2 (*Increase*); and

(b) in relation to any other Lender, the amount in the Base Currency of any Revolving Facility Commitment transferred to it under this Agreement or assumed by it in accordance with Clause 2.2 (*Increase*),

to the extent not cancelled, reduced or transferred by it under this Agreement.

"**Revolving Facility Loan**" means a loan made or to be made under the Revolving Facility or the principal amount outstanding for the time being of that loan.

"**Revolving Facility Utilisation**" means a Revolving Facility Loan or a Letter of Credit issued under the Revolving Facility.

"**Rollover Loan**" means one or more Revolving Facility Loans:

(a) made or to be made on the same day that:

(i) a maturing Revolving Facility Loan is due to be repaid; or

(ii) a demand by the Facility Agent pursuant to a drawing in respect of a Letter of Credit issued under the Revolving Facility is due to be met;

(b) the aggregate amount of which is equal to or less than the amount of the maturing Revolving Facility Loan or the relevant claim in respect of that Letter of Credit issued under the Revolving Facility;

(c) in the same currency as the maturing Revolving Facility Loan (unless it arose as a result of the operation of Clause 8.2 (*Unavailability of a currency*)) or the relevant claim in respect of that Letter of Credit; and

(d) made or to be made to the same Borrower for the purpose of:

(i) refinancing that maturing Revolving Facility Loan; or

(ii) satisfying the relevant claim in respect of that Letter of Credit issued under the Revolving Facility.

"**Sanctions**" means any international economic or trade sanctions adopted, administered or enforced from time to time by any of:

(a) the United Nations Security Council (the Council as a whole and not its individual members);

(b) the Office of Foreign Assets Control of the US Department of Treasury;

(c) the US Department of Commerce Bureau of Industry and Security;

(d) the US Department of State;

(e) the European Union (the Union as a whole and not its individual member states); or

(f) Her Majesty's Treasury of the United Kingdom.

"**Screen Rate**" means:

(a) in relation to LIBOR, the London interbank offered rate administered by ICE Benchmark Administration Limited (or any other person which takes over the administration of that rate) for the relevant currency and period displayed (before any correction, recalculation or republication by the administrator) on pages LIBOR01 or LIBOR02 of the Thomson Reuters screen (or any replacement Thomson Reuters page which displays that rate); and

(b) in relation to EURIBOR, the Euro interbank offered rate administered by the European Money Markets Institute (or any other person which takes over the administration of that rate) for the relevant period displayed (before any correction, recalculation or republication by the administrator) on page EURIBOR01 of the Thomson Reuters screen (or any replacement Thomson Reuters page which displays that rate),

or, in each case, on the appropriate page of such other information service which publishes that rate from time to time in place of Thomson Reuters. If such page or service ceases to be available, the Facility Agent may specify another page or service displaying the relevant rate after consultation with the Company.

"**Second Common Terms Agreement**" means the common terms agreement dated 21 December 2016 (and as amended and/or restated from time to time) between, among others, the Borrower, ING Bank, N.V. as Global Facility Agent and Atradius Facility Agent and Société Générale SA as Tied Commercial Facility Agent.

"**Security**" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

"**Senior Debt**" means, at any time, the aggregate outstanding principal or capital amount of all external, unsubordinated Financial Indebtedness of the Adjusted Group, calculated on a consolidated basis, except that:

(a) only the capitalised value of Finance Leases shall be included;

(b) the amount of a guarantee shall not be included, to the extent it relates to indebtedness already included in the calculation of Senior Debt;

(c) the aggregate amount of Cash and Cash Equivalent Investments held at such time shall be deducted other than any such Cash or Cash Equivalent Investments which would need to be counted to satisfy the covenant set out in paragraph (a)(ii) of Clause 6 (*Financial Covenants*) of Schedule 13 (*Information Covenants*) if it were to be tested at such time, in which case to the extent it would need to be so counted it will not be a deduction under this paragraph (c);

(d) Financial Indebtedness arising under paragraph (h) of the definition of "Financial Indebtedness" shall be excluded (except to the extent that it represents actual close out or early termination amounts due from the Company or another member of the Adjusted Group which has not been paid when due (or within any applicable grace period) and which are outstanding;

(e) Financial Indebtedness arising under paragraph (j) of the definition of "Financial Indebtedness" shall be excluded (but only in relation to Financial Indebtedness arising under paragraph (h) of the definition of "Financial Indebtedness"); and

(f) the aggregate outstanding principal amount of all loans from Non-Obligors to Obligors shall be included,

and so that no amount shall be included or excluded more than once.

"**Senior Debt Service**" means the aggregate of:

(a) Net Interest for the relevant Calculation Period; and

(b) all scheduled repayments of principal under the terms of any external Financial Indebtedness of the Adjusted Group (other than any subordinated Financial Indebtedness payable solely from the proceeds of an issue of Capital Stock or Financial Indebtedness subordinated to at least the same extent as a Shareholder Loan or from the proceeds of a permitted Distribution made by the Company) falling due during that testing period:

(i) including, without limitation, all capital payments falling due in respect of any Finance Leases (to the extent not already included);

(ii) excluding any repayment or prepayment of any overdraft or revolving credit facility (including, without limitation, the Revolving Facility and any Ancillary Facility) falling due during that period and which is either capable of being simultaneously redrawn under the terms of the relevant facility or refinanced or replaced by drawings under another credit facility; and

(iii) excluding any repayment representing a lump-sum balloon repayment upon the maturity of any term Financial Indebtedness to the extent refinanced or replaced during that period by new Financial Indebtedness, Equity or other cash available to a member or members of the Group (**provided that** the repayment thereof would not cause the Company to breach its obligation under paragraph (a)(ii) of Clause 6 (*Financial Covenants*) of Schedule 13 (*Information Covenants*)).

"**Separate Loan**" has the meaning given to that term in Clause 10.1 (*Repayment of Loans*).

"**Shareholder Loans**" means funding provided to the Company by its shareholders or their affiliates (other than members of the Group) in the form of subordinated shareholder debt or subordinated convertible debt, subject to one or more subordination agreements among the provider of such funding, the Facility Agent and the Company substantially in the form of the Subordination Deed or otherwise on terms acceptable to the Finance Parties, whether by way of cash or other assets.

"**Shareholders' Equity**" means "Shareholders' Equity" as described in the Financial Statements of the Group.

"**Signing Date**" means the date of this Agreement.

"**Singapore Borrower**" means a Borrower resident for tax purposes in Singapore.

"**Singapore Qualifying Lender**" means, in respect of interest payable by a Singapore Borrower, a Lender which is beneficially entitled to interest payable to it under a Finance Document and is:

(a) a Lender which:

(i) is a company resident in Singapore for Singapore tax purposes, or

(ii) is, or is lending through a Facility Office which is, a Singapore branch of a non-resident bank which is entitled to and has been granted a waiver, exemption or remission of Singapore withholding tax under the Income Tax Act Chapter 134 of Singapore or from the Inland Revenue Authority of Singapore on payments of interest to be made to it; or

(b) a Singapore Treaty Lender.

"**Singapore Treaty Lender**" means a Lender which:

(a) is treated as a resident of a Singapore Treaty State for the purposes of the relevant Singapore Treaty;

(b) does not carry on a business in Singapore through a permanent establishment with which that Lender's participation in the Loan is effectively connected; and

(c) fulfils any other conditions which must be fulfilled under the relevant Singapore Treaty by residents of the relevant Singapore Treaty State for such residents to obtain full exemption from Tax imposed on interest, including the completion of any necessary procedural formalities.

"**Singapore Treaty State**" means a jurisdiction having an avoidance of double taxation agreement (a "**Singapore Treaty**") with Singapore which makes provision for full exemption from Tax imposed by Singapore on interest.

"**Specified Time**" means a day or a time determined in accordance with Schedule 4 (*Specified Times*).

"**Sponsor Affiliate**" means any Affiliate of the Company that is not:

(a) a member of the Group; or

(b) any bank or financial institution which is regularly engaged in or established for the purpose of making purchasing or investing in loans, securities or other financial assets.

"**Subordinated Creditor**" has the meaning given to such term in the Subordination Deed.

"**Subordination Deed**" means the subordination deed to be entered into on or about the Signing Date in connection with the incurrence of any Shareholder Loans.

"**Subsidiary**" means, as to any person, any other person that, at any time of determination (i) such first person owns directly, or indirectly through one or more intermediaries, capital stock or other ownership interests having (in the absence of contingencies) ordinary voting power to elect at least a majority of the board of directors (or, persons performing similar functions) of such second person or (ii) is Controlled by such first person (save where the level of Control does not result in the second person being treated as a consolidated subsidiary in accordance with IFRS and consolidated with the Company for the purposes of its consolidated audited financial statements).

"**Super Majority Lenders**" means, at any time, a Lender or Lenders:

(a) whose Commitments together aggregate more than sixty-six and two-thirds per cent. (66⅔%) of the Total Commitments; or

(b) if the Total Commitments have been reduced to zero, whose Commitments aggregated more than sixty-six and two-thirds per cent. (66⅔%) of the Total Commitments immediately before the reduction.

"**TARGET2**" means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007.

"**TARGET Day**" means any day on which TARGET2 is open for the settlement of payments in Euros.

"**Tax**" means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or delay in paying any of the same).

"**Tax Credit**" means a credit against, relief or remission for, or repayment of, any Tax.

"**Tax Deduction**" means a deduction or withholding for or on account of Tax from a payment under a Finance Document, other than a FATCA Deduction.

"**Tax Payment**" means either the increase in a payment made by an Obligor to a Finance Party under Clause 18.1 (*Tax Gross-up*) or a payment under Clause 18.2 (*Tax Indemnity*).

"**Term**" means each period determined under this Agreement for which the Issuing Bank is under a liability under a Letter of Credit.

"**Third Common Terms Agreement**" means the common terms agreement dated 2 March 2018 (as amended and/or restated from time to time) between (amongst others) GLOBALFOUNDRIES Singapore Pte. Ltd. as lessee and the original guarantors.

"**Total Additional L/C Facility Commitments**" means the aggregate Additional L/C Facility Commitments, being $20,000,000 as at the Signing Date.

"**Total Assets**" means at any time:

(a) in respect of the Group, the value of the Group's gross assets on a consolidated basis, as shown in the latest consolidated financial statements of the Company provided pursuant to Clause 1 (*Financial Statements*) of Schedule 13 (*Information Covenants*); and

(b) in respect of any member of the Group, the value of its gross assets on an unconsolidated basis, as shown in the latest consolidated financial statements of the Company provided pursuant to Clause 1 (*Financial Statements*) of Schedule 13 (*Information Covenants*) (but excluding intra-Group items and investments in Subsidiaries).

"**Total Capitalisation**" means, at any date of determination, the sum of the following for the Adjusted Group on a consolidated basis, determined in accordance with the Approved Accounting Principles and, for the purposes of the Leverage Ratio, as determined from the latest consolidated financial statements of the Company delivered pursuant to Clause 1 (*Financial Statements*) of Schedule 13 (*Information Covenants*) but adjusted to reflect (i) the amount of Senior Debt immediately prior to the date of determination and the amount of any Shareholders' Equity (including Shareholder Loans) contributed or advanced to the Company since the date of such latest consolidated financial statements (to the extent not taken into account therein) and (ii) any transactions committed on the date of determination for the incurrence (in accordance with the definition of "Permitted Indebtedness") and/or prepayment or repayment of Senior Debt (and which shall include the transaction which has required, in accordance with the definition of "Permitted Indebtedness", the relevant determination of Total Capitalisation to be made):

(a) Shareholders' Equity (including Shareholder Loans); plus

(b) the amount of surplus and retained earnings of the Adjusted Group (or, in the case of a surplus or retained earnings deficit, minus the amount of such deficit); plus

(c) the Senior Debt.

"**Total Commitments**" means the aggregate of the Total Additional L/C Facility Commitments and the Total Revolving Facility Commitments of all the Lenders.

"**Total Revolving Facility Commitments**" means the aggregate Revolving Facility Commitments, being $235,000,000 as at the Signing Date.

"**Transaction Security**" means the Security created or expressed to be created in favour of the Collateral Trustee pursuant to the Transaction Security Documents.

"**Transaction Security Discharge Date**" means the first date on which all of the Transaction Security has been released.

"**Transaction Security Documents**" means:

(a) the deed of pledge of shares executed on 30 October 2018 between GLOBALFOUNDRIES (Netherlands) Coöperatief U.A. (as the Pledgor), Wilmington Trust, National Association (as the Pledgee) and GLOBALFOUNDRIES Netherlands Holding B.V. (as the Company);

(b) the deed of pledge of shares executed on 31 July 2019 between GLOBALFOUNDRIES (Netherlands) Coöperatief U.A. (as the Pledgor), Wilmington Trust, National Association (as the Pledgee) and GLOBALFOUNDRIES Netherlands Holding B.V. (as the Company);

(c) the agreement and deed of pledge of cooperative membership interests executed on 30 October 2018 between GLOBALFOUNDRIES INC. and GLOBALFOUNDRIES Investments LLC (as the Pledgors), Wilmington Trust, National Association (as the Pledgee) and GLOBALFOUNDRIES (Netherlands) Coöperatief U.A. (as the Cooperative);

(d) the agreement and deed of pledge of cooperative membership interests executed on 31 July 2019 between GLOBALFOUNDRIES INC. and GLOBALFOUNDRIES Investments LLC (as the Pledgors), Wilmington Trust, National Association (as the Pledgee) and GLOBALFOUNDRIES (Netherlands) Coöperatief U.A. (as the Cooperative);

(e) the deed of pledge of shares executed on 30 October 2018 between GLOBALFOUNDRIES (Netherlands) Coöperatief U.A. (as the Pledgor), Wilmington Trust, National Association (as the Pledgee) and GLOBALFOUNDRIES Netherlands B.V. (as the Company);

(f) the deed of pledge of shares executed on 31 July 2019, between GLOBALFOUNDRIES (Netherlands) Coöperatief U.A. (as the Pledgor), Wilmington Trust, National Association (as the Pledgee) and GLOBALFOUNDRIES Netherlands B.V. (as the Company);

(g) the German law governed share and interest pledge agreement dated 5 June 2019 and entered into among, inter alios, GLOBALFOUNDRIES Netherlands Holding B.V., GLOBALFOUNDRIES Dresden Module One LLC, GLOBALFOUNDRIES Dresden Module Two LLC, GLOBALFOUNDRIES Management Services Limited Liability Company & Co. KG, GLOBALFOUNDRIES Dresden Module One Holding GmbH, GLOBALFOUNDRIES Dresden Module Two Holding GmbH, GLOBALFOUNDRIES Dresden Module One Limited Liability Company & Co. KG and GLOBALFOUNDRIES Dresden Module Two Limited Liability Company & Co. KG as pledgors and Wilmington Trust, National Association as collateral trustee and pledgee regarding the pledge of all current and future shares and partnership interests (as the case may be) in GLOBALFOUNDRIES Management Services Limited Liability Company & Co. KG, GLOBALFOUNDRIES Dresden Module One Holding GmbH, GLOBALFOUNDRIES Dresden Module Two Holding GmbH, GLOBALFOUNDRIES Dresden Module One Limited Liability Company & Co. KG, and

GLOBALFOUNDRIES Dresden Module Two Limited Liability Company & Co. KG (roll of deeds no. 188/2019 of the notary Dr. Carsten J. Angersbach in Frankfurt am Main);

(h) the Singapore law governed share charge dated 30 October 2018 (as supplemented by the supplemental share charge dated 5 June 2019), entered into between GLOBALFOUNDRIES Inc. and the Collateral Agent;

(i) the Closing Date Security Documents;

(j) the Dutch CS Security Documents;

(k) any other document entered into by any Obligor creating or expressed to create any Security over all or any part of its assets in respect of the obligations of any of the Obligors under any of the Finance Documents; and

(l) any other document entered into by any entity creating or expressed to create any Security over all or any part of its assets which forms part of the Collateral (as such term is defined in the Collateral Trust Agreement) for the purposes of the Collateral Trust Agreement and which the Lenders have the benefit of as secured creditors.

"**Transfer Certificate**" means a certificate substantially in the form set out in Schedule 5 (*Form of Transfer Certificate*) or any other form agreed between the Facility Agent and the Company.

"**Transfer Date**" means, in relation to an assignment or a transfer, the later of:

(a) the proposed Transfer Date specified in the relevant Assignment Agreement or Transfer Certificate; and

(b) the date on which the Facility Agent executes the relevant Assignment Agreement or Transfer Certificate.

"**Treasury Transaction**" means any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price.

"**UK Bail-In Legislation**" means (to the extent that the United Kingdom is not an EEA Member Country which has implemented, or implements, Article 55 BRRD) Part I of the United Kingdom Banking Act 2009 and any other law or regulation applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (otherwise than through liquidation, administration or other insolvency proceedings).

"**Unpaid Sum**" means any sum due and payable but unpaid by an Obligor under the Finance Documents.

"**Up-stream Guarantee**" has the meaning given to that term in paragraph (b)(i) of Clause 22.11 (*Guarantee limitations*).

"**US**" and "**United States**" means the United States of America, its territories, possessions and other areas subject to the jurisdiction of the United States of America.

"**US Borrower**" means a Borrower that is incorporated or organised under the laws of the United States of America, any state or territory thereof or the District of Columbia.

"**US Debtor Relief Laws**" means the US Bankruptcy Code and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, judicial management or similar debtor relief laws of the United States from time to time in effect and affecting the rights of creditors generally.

"**US Guarantor**" has the meaning given to that term in paragraph (c) of Clause 22.11 (*Guarantee limitations*).

"**US Obligor**" means any US Borrower or US Guarantor.

"**US Qualifying Lender**" means, in respect of amounts payable by a US Borrower, a Lender which, under the law in effect as of the date it became a party to this Agreement: (a) is entitled to a complete exemption from withholding of US federal income tax on interest payable to it under this Agreement; and (b) has supplied to the relevant US Borrower a properly completed and executed applicable US Tax Form evidencing such exemption.

"**US Tax Form**" means:

(a) with respect to any Lender that is a US Person, a properly completed and executed IRS Form W-9, or any successor or other form prescribed by the IRS, certifying that such Lender is a US Person and is not subject to US backup withholding tax on payments made by US Obligor to such Lender under this Agreement;

(b) with respect to any Lender that is not a US Person:

(i) in the case of a Lender claiming the benefits of an exemption from or reduction in US federal withholding tax pursuant to a double taxation agreement between the US and the jurisdiction of which such Lender is or is treated as a resident, a properly completed and duly executed IRS Form W-8BEN or W-8BEN-E, as applicable, or any successor or other form prescribed by the IRS, certifying that such Lender is exempt from or entitled to a reduced rate of US federal withholding tax under an applicable double taxation agreement or treaty on payments made by a US Obligor to such Lender under this Agreement;

(ii) in the case of a Lender claiming the benefits of an exemption from US federal withholding tax because payments made by a US Obligor otherwise subject to such withholding tax are effectively connected with the Lender's conduct of a trade or business within the US, a properly completed and duly executed IRS Form W-8ECI, or any successor or other form prescribed by the IRS, certifying that such interest payments are effectively connected with the conduct of a trade or business within the US;

(iii) in the case of a Lender claiming the benefits of the exemption from US federal withholding tax pursuant to Section 881(c) of the Code with respect to payments of portfolio interest made by a US Obligor to such Lender under this Agreement, (1) a certificate to the effect that such Lender is (x) not a "bank" referred to in Section 881(c)(3)(A) of the Code, (y) not a ten per cent. (10%) shareholder of any Obligor (within the meaning of Section 881(c)(3)(B) of the Code), and (z) not a controlled foreign corporation related to any Obligor (as such term is described in Section 881(c)(3)(C) of the Code), and (2) a properly completed and duly executed copy of

IRS Form W-8BEN or W-8BEN-E, as applicable, or any successor or other form prescribed by the IRS, certifying that such Lender is not a US Person; or

(iv) in the case of a Lender that is a (D) foreign intermediary or foreign flow-through entity for US federal income tax purposes, a properly completed and duly executed IRS Form W-8IMY or any successor or other form prescribed by the IRS, as a basis for claiming exemption from or reduction in US federal withholding tax on interest payments made by the relevant US Obligor to such Lender under this Agreement, together with any supplementary information such Lender is required to transmit with such form and, in the case of a non-qualified intermediary that is a Lender or a non-withholding Lender that is a foreign flow-through entity, with respect to each beneficiary or member of such Lender, two forms or certificates described in sub-clause (i), (ii) or (iii) above, as applicable; or

(c) any other form prescribed by Applicable Law as a basis for claiming exemption from or a reduction in US federal withholding tax, duly completed, together with such supplementary documentation as may be prescribed by Applicable Law to permit the US Obligor to determine the withholding or deduction required to be made.

Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete in any respect, it shall update such form or certification or promptly notify the US Obligor in writing of its legal inability to do so.

"**US Tax Obligor**" means:

(a) the Company to the extent it is resident for tax purposes in the US; or

(b) an Obligor some or all of whose payments under the Finance Documents are from sources within the US for US federal income tax purposes.

"**USA Patriot Act**" means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Public Law 107-56.

"**US Person**" shall have the meaning specified in Section 7701(a)(30) of the Code for “United States person” and shall include any disregarded entity (for US federal income tax purposes) of any such person.

"**Utilisation**" means a Loan or a Letter of Credit.

"**Utilisation Date**" means the date of a Utilisation, being the date on which the relevant Loan is to be made or the relevant Letter of Credit is to be issued.

"**Utilisation Request**" means a notice substantially in the relevant form set out in Schedule 3 (*Requests and Notices*).

"**VAT**" means:

(a) any tax imposed in compliance with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112); and

(b) any other tax of a similar nature, whether imposed in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraph (a) above, or imposed elsewhere.

"**Voting Rights**" means, in relation to a Lender, any of its rights and obligations under any Finance Document, including all rights under this Agreement in relation to waivers, consents modifications and amendments and confirmations as to satisfaction of conditions precedent.

"**Write-down and Conversion Powers**" means:

(a) in relation to any Bail-In Legislation described in the EU Bail-In Legislation Schedule from time to time, the powers described as such in relation to that Bail-In Legislation in the EU Bail-In Legislation Schedule;

(b) in relation to any other applicable Bail-In Legislation:

(i) any powers under that Bail-In Legislation to cancel, transfer or dilute shares issued by a person that is a bank or investment firm or other financial institution or affiliate of a bank, investment firm or other financial institution, to cancel, reduce, modify or change the form of a liability of such a person or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers; and

(ii) any similar or analogous powers under that Bail-In Legislation; and

(c) in relation to any UK Bail-In Legislation:

(i) any powers under that UK Bail-In Legislation to cancel, transfer or dilute shares issued by a person that is a bank or investment firm or other financial institution or affiliate of a bank, investment firm or other financial institution, to cancel, reduce, modify or change the form of a liability of such a person or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that UK Bail-In Legislation that are related to or ancillary to any of those powers; and

(ii) any similar or analogous powers under that UK Bail-In Legislation.

1.2 **Construction**

(a) Unless a contrary indication appears a reference in this Agreement to:

(i) a document in "**agreed form**" is a document which is previously agreed in writing by or on behalf of the Company and the Facility Agent or, if not so agreed, is in the form specified by the Facility Agent;

(ii) "assets" includes present and future properties, revenues and rights of every description;

(iii) "director" or "managing director" includes any statutory legal representative(s) (*organschaftlicher Vertreter*) of a person pursuant to the laws of its jurisdiction of incorporation, including but not limited to, in relation to a person incorporated or established in Germany, a managing director (*Geschäftsführer*) or member of the board of directors (*Vorstand*);

(iv) a "Lender", any "Finance Party", the "Facility Agent", any "Issuing Bank", any "Obligor", any "Party" or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees to, or of, its rights and/or obligations under the Finance Documents;

(v) a "Finance Document" or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended (however fundamentally), novated, supplemented, extended, restated or replaced from time to time (whether or not such amendment, novation, supplement, extension, restatement or replacement contemplated as at the Signing Date), and including cases where the amendments concerned involve an increase, extension or other change (however great) to any facility or the grant of any additional facility (however great);

(vi) "guarantee" means (other than in Clause 22 (*Guarantee and Indemnity*)) any guarantee, letter of credit, bond, indemnity or similar assurance against loss, or any obligation, direct or indirect, actual or contingent, to purchase or assume any indebtedness of any person or to make an investment in or loan to any person or to purchase assets of any person where, in each case, such obligation is assumed in order to maintain or assist the ability of such person to meet its indebtedness;

(vii) "include", "includes" and "including" shall be construed without limitation;

(viii) "indebtedness" includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;

(ix) the "Interest Period" of a Letter of Credit shall be construed as a reference to the Term of that Letter of Credit;

(x) a Lender's "participation" in relation to a Letter of Credit, shall be construed as a reference to the relevant amount that is or may be payable by a Lender in relation to that Letter of Credit;

(xi) a "person" includes any individual, firm, company, corporation, government, state or agency of a state or any association, unincorporated organisation, trust, governmental authority, partnership (whether or not having separate legal personality) of two or more of the foregoing joint venture or other entity;

(xii) a "quarter" is a reference to each consecutive period of approximately three (3) calendar months in each Financial Year commencing on or about 1 January or as

otherwise agreed in accordance with the terms hereof and "quarterly" shall be construed correspondingly;

(xiii) a "transferee" means a person to which another person seeks to assign and transfer all or part of its rights, benefits and obligations;

(xiv) a Utilisation made or to be made to a Borrower includes a Letter of Credit issued on its behalf;

(xv) a provision of law, statute or treaty is a reference to that provision as amended or re-enacted; and

(xvi) a time of day is a reference to London time except where specifically provided otherwise.

(b) The determination of the extent to which a rate is "for a period equal in length" to an Interest Period shall disregard any inconsistency arising from the last day of that Interest Period being determined pursuant to the terms of this Agreement.

(c) References to paragraphs, Clauses and Schedules are references to paragraphs, clauses and schedules of this Agreement unless stated otherwise.

(d) Clause and Schedule headings are for ease of reference only.

(e) Unless a contrary indication appears, a term used in any other Finance Document or in any notice given under or in connection with any Finance Document has the same meaning in that Finance Document or notice as in this Agreement.

(f) A Borrower providing "**cash cover**" for a Letter of Credit or an Ancillary Facility means a Borrower paying an amount in the currency of the Letter of Credit (or, as the case may be, Ancillary Facility) to an interest-bearing account in the name of the Borrower and the following conditions being met:

(i) the account is with the Issuing Bank or Ancillary Lender for which that cash cover is to be provided;

(ii) subject to paragraph (b) of Clause 7.6 (*Regulation and consequences of cash cover provided by Borrower*), until no amount is or may be outstanding under that Letter of Credit or Ancillary Facility, withdrawals from the account may only be made to pay the relevant Finance Party amounts due and payable to it under this Agreement in respect of that Letter of Credit or Ancillary Facility; and

(iii) if requested by the relevant Issuing Bank or Ancillary Lender (as the case may be), the Borrower has executed a security document over that account, in form and substance satisfactory to the Finance Party with which that account is held, creating a first ranking security interest over that account.

(g) A Default or an Event of Default is "**continuing**" if it has not been remedied or waived in writing by the Facility Agent.

(h) A Borrower "**repaying**" or "**prepaying**" a Letter of Credit or Ancillary Outstandings means:

(i) that Borrower providing cash cover for that Letter of Credit or in respect of the Ancillary Outstandings;

(ii) in the case of a Letter of Credit, that Borrower has made a payment of that amount under paragraph (b) of Clause 7.2 (*Claims under a Letter of Credit*) in respect of that Letter of Credit or that Borrower has made a reimbursement of that amount in respect of that Letter of Credit under Clause 7.3 (*Indemnities*);

(iii) the maximum amount payable under the Letter of Credit or Ancillary Facility being reduced or cancelled in accordance with its terms;

(iv) the Letter of Credit or Ancillary Facility (as the case may be) expires in accordance with its terms or is otherwise returned by the beneficiary to the Issuing Bank with its written confirmation that it is released and cancelled;

(v) a bank or financial institution having a long-term credit rating from any of Moody's, S&P or Fitch at least equal to BBB+/Baa1 (as applicable or such other rating as the Facility Agent and the applicable Issuing Bank or Ancillary Lender (as the case may be) may agree), or by any other institution satisfactory to the applicable Issuing Bank having issued an unconditional and irrevocable guarantee, indemnity, counter-indemnity or similar assurance against financial loss in respect of all amounts due under that Letter of Credit or Ancillary Facility (as the case may be); or

(vi) the Issuing Bank or Ancillary Lender being satisfied that it has no further liability under that Letter of Credit or Ancillary Facility,

and the amount by which a Letter of Credit is, or Ancillary Outstandings are, repaid or prepaid under paragraphs (i) to (v) above is the amount of the relevant cash cover, payment, reduction, cancellation or assurance.

(i) An amount borrowed includes any amount utilised by way of Letter of Credit or under an Ancillary Facility.

(j) A Lender funding its participation in a Utilisation includes a Lender participating in a Letter of Credit.

(k) Amounts outstanding under this Agreement include amounts outstanding under or in respect of any Letter of Credit.

(l) An outstanding amount of a Letter of Credit at any time is the maximum amount that is or may be payable by the relevant Borrower in respect of that Letter of Credit at that time.

(m) A Borrower's obligation on Utilisations becoming "due and payable" includes the Borrower repaying any Letter of Credit in accordance with paragraph (h) above.

(n) The singular includes the plural and vice versa.

(o) Except where specifically provided otherwise, each of the permissions included in the definitions of Permitted Disposals, Permitted Security, Permitted Indebtedness and Permitted Investments are separate and if any disposition, Security or Quasi-Security, Financial Indebtedness or acquisition or investment could fall within more than one paragraph of the

relevant definition then the Company shall select which paragraph it shall fall into and it shall not reduce or use a basket under any other paragraph.

(p) For all purposes under the Finance Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws):

(i) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person; and

(ii) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its shares at such time.

1.3 **Currency Symbols and Definitions**

(a) "**EUR**", "**€**" and "**Euro**" means the single currency of the Participating Member States.

(b) "**USD**", "**US$**" and "**Dollars**" denote the lawful currency of the United States of America.

1.4 **Contracts (Rights of Third Parties) Act 1999**

(a) A person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term or condition of this Agreement unless expressly provided to the contrary in a Finance Document.

(b) Subject to paragraph (a) of Clause 42.4 (*Other exceptions*) but otherwise notwithstanding any term of any Finance Document, the consent of any person who is not a Party is not required to rescind or vary this Agreement at any time.

1.5 **Fluctuations in exchange rates**

For the avoidance of doubt, for the purposes of Schedule 12 (*Representations*), Schedule 14 (*Affirmative Covenants*), Schedule 15 (*Negative Covenants*) or Schedule 16 (*Events of Default*) (and, in each case, the related definitions) but excluding any Event of Default resulting from a breach of Clause 6 (*Financial Covenants*) of Schedule 13 (*Information Covenants*) (and related definitions), a reference to an amount (or its equivalent in any other currency or currencies) shall be determined by reference to the rate of exchange on the date of incurrence or making of a particular disposal, acquisition, investment, lease, loan, debt or guarantee or taking any other relevant action and any subsequent exchange rate fluctuation shall not cause an Event of Default or the breach of any provision of Schedule 14 (*Affirmative Covenants*), Schedule 15 (*Negative Covenants*) or misrepresentation in respect of any provision of Schedule 12 (*Representations*).

1.6 **Calculation of baskets**

If any of the baskets set forth in the definitions of Permitted Disposal, Permitted Investment or Permitted Security are exceeded solely as a result of fluctuations to Total Assets as set out in the financial statements delivered after the time when such baskets were calculated in connection with the relevant activity, such basket(s) will not be deemed to have been exceeded solely as a result of such fluctuations.

2. THE FACILITIES

2.1 The Facilities

(a) Subject to the terms of this Agreement, the Lenders make available to the Company:

(i) a letter of credit facility in an aggregate amount the Base Currency Amount of which is equal to the Total Additional L/C Facility Commitments; and

(ii) a multicurrency revolving credit facility in an aggregate amount the Base Currency Amount of which is equal to the Total Revolving Facility Commitments.

(b) The Revolving Facility will be available to the Company and each Approved Borrower under the Revolving Facility.

(c) The Additional L/C Facility will be available to the Company, GLOBALFOUNDRIES U.S. Inc. and each Approved Borrower under the Additional L/C Facility.

(d) Subject to the terms of this Agreement and the Ancillary Documents, an Ancillary Lender may make all or part of its Revolving Facility Commitment available to any Borrower as an Ancillary Facility.

2.2 Increase

(a) The Company may by giving prior notice to the Facility Agent after the effective date of a cancellation of:

(i) the Available Commitments of a Defaulting Lender in accordance with Clause 11.6 (*Right of cancellation in relation to a Defaulting Lender*); or

(ii) the Commitments of a Lender in accordance with:

(A) Clause 11.1 (*Illegality*); or

(B) paragraph (a) of Clause 11.4 (*Right of cancellation and repayment in relation to a single Lender or Issuing Bank*),

request that the Commitments relating to any Facility be increased (and the Commitments relating to that Facility shall be so increased) in an aggregate amount up to the amount of the Available Commitments or Commitments relating to that Facility so cancelled as follows:

(C) the increased Commitments will be assumed by one or more Lenders or other banks or financial institutions (each an "**Increase Lender**") selected by the Company (each of which shall not be a member of the Group and which is further acceptable to the Facility Agent (acting reasonably)) and each of which confirms in writing (whether in the relevant Increase Confirmation or otherwise) its willingness to assume and does assume all the obligations of a Lender corresponding to that part of the increased Commitments which it is to assume, as if it had been an Original Lender in respect of those Commitments;

(D) each of the Obligors and any Increase Lender shall assume obligations towards one another and/or acquire rights against one another as the Obligors and the Increase Lender would have assumed and/or acquired had the Increase Lender been an Original Lender in respect of that part of the increased Commitments which it is to assume;

(E) each Increase Lender shall become a Party as a "**Lender**" hereunder and any Increase Lender and each of the other Finance Parties shall assume obligations towards one another and acquire rights against one another as that Increase Lender and those Finance Parties would have assumed and/or acquired had the Increase Lender been an Original Lender in respect of that part of the increased Commitments which it is to assume;

(F) the Commitments of the other Lenders shall continue in full force and effect; and

(G) any increase in the Commitments relating to a Facility shall take effect on the date specified by the Company in the notice referred to above or any later date on which the Facility Agent executes an otherwise duly completed Increase Confirmation delivered to it by the relevant Increase Lender.

(b) The Facility Agent shall, subject to paragraph (c) below, as soon as reasonably practicable after receipt by it of a duly completed Increase Confirmation appearing on its face to comply with the terms of this Agreement and delivered in accordance with the terms of this Agreement, execute that Increase Confirmation.

(c) The Facility Agent shall only be obliged to execute an Increase Confirmation delivered to it by an Increase Lender once it is satisfied it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations in relation to the assumption of the increased Commitments by that Increase Lender, the completion of which the Facility Agent shall promptly notify to the Company and the Increase Lender.

(d) The consent of the relevant Issuing Bank is required for an increase in the Total Revolving Facility Commitments or the Total Additional L/C Facility Commitments (as applicable).

(e) Each Increase Lender, by executing the Increase Confirmation, confirms (for the avoidance of doubt) that the Facility Agent has authority to execute on its behalf any amendment or waiver that has been approved by or on behalf of the requisite Lender or Lenders in accordance with this Agreement on or prior to the date on which the increase becomes effective in accordance with this Agreement and that it is bound by that decision to the same extent as it would have been had it been an Original Lender.

(f) The Company shall promptly on demand pay the Facility Agent the amount of all reasonable and documented costs and expenses (including legal fees but excluding any allocations of overhead or internal costs) reasonably incurred by it in connection with any increase in Commitments under this Clause 2.2.

(g) The Increase Lender shall, on the date upon which the increase takes effect, pay to the Facility Agent (for its own account) a fee in an amount equal to the fee which would be payable under

Clause 29.4 (*Assignment or transfer fee*) if the increase was a transfer pursuant to Clause 29.6 (*Procedure for transfer*) and if the Increase Lender was a New Lender.

(h) The Company may pay to the Increase Lender a fee in the amount and at the times agreed between the Company and the Increase Lender in a Fee Letter.

(i) Neither the Facility Agent nor any Lender shall have any obligation to find an Increase Lender and in no event shall any Lender whose Commitment is replaced by an Increase Lender be required to pay or surrender any of the fees received by such Lender pursuant to the Finance Documents.

(j) Clause 29.5 (*Limitation of responsibility of Existing Lenders*) shall apply *mutatis mutandis* in this Clause 2.2 in relation to an Increase Lender as if references in that Clause to:

(i) an "**Existing Lender**" were references to all the Lenders immediately prior to the relevant increase;

(ii) the "**New Lender**" were references to that "**Increase Lender**"; and

(iii) a "**re-transfer**" and "**re-assignment**" were references to respectively a "**transfer**" and "**assignment**".

2.3 **Finance Parties' rights and obligations**

(a) The obligations of each Finance Party under the Finance Documents are several. Failure by a Finance Party to perform its obligations under the Finance Documents does not affect the obligations of any other Party under the Finance Documents. No Finance Party is responsible for the obligations of any other Finance Party under the Finance Documents.

(b) The rights of each Finance Party under or in connection with the Finance Documents are separate and independent rights and any debt arising under the Finance Documents to a Finance Party from an Obligor is a separate and independent debt in respect of which a Finance Party shall be entitled to enforce its rights in accordance with paragraph (c) below. The rights of each Finance Party include any debt owing to that Finance Party under the Finance Documents and, for the avoidance of doubt, any part of a Loan or any other amount owed by an Obligor which relates to a Finance Party's participation in a Facility or its role under a Finance Document (including any such amount payable to the Facility Agent on its behalf) is a debt owing to that Finance Party by that Obligor.

(c) A Finance Party may, except as specifically provided in the Finance Documents, separately enforce its rights under or in connection with the Finance Documents.

2.4 **Obligors' Agent**

(a) Each Obligor (other than the Company) by its execution of this Agreement or an Accession Deed irrevocably appoints the Company (acting through one or more authorised signatories) to act on its behalf as its agent in relation to the Finance Documents and irrevocably authorises:

(i) the Company on its behalf to supply all information concerning itself contemplated by this Agreement to the Finance Parties and to give all notices and instructions

(including, in the case of a Borrower, Utilisation Requests), to execute on its behalf any other agreement and to effect the relevant amendments, supplements and variations capable of being given, made or effected by any Obligor notwithstanding that they may affect the Obligor, without further reference to or the consent of that Obligor; and

(ii) each Finance Party to give any notice, demand or other communication to that Obligor pursuant to the Finance Documents to the Company,

and in each case the Obligor shall be bound as though the Obligor itself had given the notices and instructions (including, without limitation, any Utilisation Requests) or executed or made the agreements or effected the amendments, supplements or variations, or received the relevant notice, demand or other communication. For this purpose each Obligor incorporated in Germany releases the Company to the fullest extent possible from the restrictions of Section 181 of the German Civil Code (*Bürgerliches Gesetzbuch*).

(b) Every act, omission, agreement, undertaking, settlement, waiver, amendment, supplement, variation, notice or other communication given or made by the Obligors' Agent or given to the Obligors' Agent under any Finance Document on behalf of another Obligor or in connection with any Finance Document (whether or not known to any other Obligor and whether occurring before or after such other Obligor became an Obligor under any Finance Document) shall be binding for all purposes on that Obligor as if that Obligor had expressly made, given or concurred with it. In the event of any conflict between any notices or other communications of the Obligors' Agent and any other Obligor, those of the Obligors' Agent shall prevail.

3. PURPOSE

3.1 Purpose

(a) Each Borrower shall apply all amounts borrowed by it under the Revolving Facility in or towards the general corporate and working capital purposes of the Group including, without restriction:

(i) refinancing and/or repayment or replacement of any existing revolving credit facilities or other existing debt or credit arrangements (including, without limitation, letters of credit, bank guarantees and other similar bond or instruments);

(ii) financing or refinancing any transaction costs, taxes, original issue discount, premium, repayment costs, break costs, fees, flex and any other costs or expenses; and/or

(iii) financing or refinancing existing indebtedness of the Group and any associated fees, costs, taxes or expenses (including any breakage costs, issue discount, redemption premium, make whole costs and other fees) related to or incurred or charged in connection therewith and related financing costs and/or the Finance Documents; and/or

(iv) any capital expenditure of the Group; and/or

(v) any acquisitions of any assets, shares or businesses permitted under this Agreement.

(b) Each Borrower shall only request Letters of Credit to be issued under the Additional L/C Facility in connection with the general corporate and working capital purposes of the Group or any other activities in the ordinary course of business of any member of the Group.

3.2 **Monitoring**

No Finance Party is bound to monitor or verify the application of any amount borrowed pursuant to this Agreement.

4. **CONDITIONS OF UTILISATION**

4.1 **Initial conditions precedent**

(a) The Lenders will only be obliged to comply with Clause 5.4 (*Lenders' participation*) or Clause 6.5 (*Issue of Letters of Credit*) in relation to any Utilisation to be advanced on the Closing Date if on or before that Utilisation Date, the Facility Agent has received all of the documents and other evidence listed in Part A of Schedule 2 (*Conditions Precedent*) in form and substance reasonably satisfactory to the Facility Agent (acting upon the instructions of (A) each of the Original Lenders under the Revolving Facility and (B) each of the Original Lenders under the Additional L/C Facility), or the Facility Agent has (acting upon the instructions of each of the relevant Original Lenders) waived the requirement of receipt of such documents or evidence which have not been received and the Facility Agent shall notify the Company and the Lenders promptly upon being so satisfied.

(b) Other than to the extent that the Majority L/C Lenders or Majority RCF Lenders (as applicable) notify the Facility Agent in writing to the contrary before the Facility Agent gives a notification described in paragraph (a) above, the Lenders under the relevant Facility authorise (but do not require) the Facility Agent to give that notification. The Facility Agent shall not be liable for any damages, costs or losses whatsoever as a result of giving any such notification.

4.2 **Further conditions precedent**

Subject to Clause 4.1 (*Initial conditions precedent*), the Lenders will only be obliged to comply with Clause 5.4 (*Lenders' participation*), if on the date of the Utilisation Request and on the proposed Utilisation Date:

(a) other than in the case of a Rollover Loan, no Default is continuing or would result from the proposed Utilisation;

(b) in the case of a Rollover Loan, no Event of Default is continuing; and

(c) other than in the case of a Rollover Loan, the Repeating Representations are true and accurate in all material respects by reference to the facts and circumstances then subsisting.

4.3 **Conditions relating to Optional Currencies**

(a) A currency will constitute an Optional Currency in relation to a Utilisation if:

(i) it is Euro; or

(ii) it:

(A) is readily available in the amount required and freely convertible into the Base Currency in the wholesale market for that currency on the Quotation Day and the Utilisation Date for that Utilisation;

(B) has been requested of the Facility Agent at least five (5) Business Days prior to the date of the relevant Utilisation Request; and

(C) has been approved by the Facility Agent (in both its capacity as such and acting on the instructions of all the Lenders under the relevant Facility) on or prior to receipt by the Facility Agent of the relevant Utilisation Request for that Utilisation.

(b) If the Facility Agent has received a written request from the Company for a currency to be approved under paragraph (a)(ii)(C) above, the Facility Agent will confirm to the Company by the Specified Time:

(i) whether or not each of it and the relevant Lenders have granted their approval; and

(ii) if approval has been granted, the minimum amount for any subsequent Utilisation in that currency.

4.4 **Maximum number of Utilisations**

(a) A Borrower (or the Company) may not deliver a Utilisation Request if as a result of the proposed Utilisation:

(i) more than twenty (20) Letters of Credit would be outstanding in respect of the Additional L/C Facility; or

(ii) more than twelve (12) Utilisations would be outstanding in respect of the Revolving Facility.

(b) Any Loan made by a single Lender under Clause 8.2 (*Unavailability of a currency*) shall not be taken into account in this Clause 4.4.

(c) Any Separate Loan shall not be taken into account in this Clause 4.4.

4.5 **Approved Borrowers**

(a) Notwithstanding any other provision of this Agreement, no Borrower (other than the Company or GLOBALFOUNDRIES U.S. Inc. in respect of the Additional L/C Facility only) may utilise a Facility unless each Original Lender that is a Lender in respect of that Facility upon submission of the relevant Utilisation Request has notified the Company and the Facility Agent in writing (an "**Approval Notice**") that it has obtained all necessary internal or external approvals to lend to that Borrower or otherwise participate in any Utilisation under that Facility by or on behalf of that Borrower.

(b) An Approval Notice shall not be duly completed unless it identifies the relevant Borrower to be approved and the Facility to which such approval relates.

(c) The delivery of an Approval Notice shall be in each Original Lender's sole discretion.

(d) Once the Facility Agent has, in respect of a Borrower received Approval Notices in respect of that Borrower from each Original Lender that is a Lender under the relevant Facility, the relevant Borrower shall be an Approved Borrower in respect of that Facility and the Facility Agent shall promptly notify the Company and the Lenders that such Borrower is an Approved Borrower under that Facility.

(e) This Clause 4.5 shall not apply to the establishment or utilisation of any Ancillary Facility.

5. UTILISATION – LOANS

5.1 Delivery of a Utilisation Request

Subject to the terms of this Agreement, a Borrower (or the Company on its behalf) may utilise the Revolving Facility by delivering to the Facility Agent a duly completed Utilisation Request not later than the Specified Time.

5.2 Completion of a Utilisation Request

(a) Each Utilisation Request is irrevocable and will not be regarded as having been duly completed unless:

(i) it identifies the Facility to be utilised, which shall be the Revolving Facility;

(ii) it identifies the Borrower, which shall be the Company or an Approved Borrower under the Revolving Facility;

(iii) the proposed Utilisation Date is a Business Day which falls within the Availability Period applicable to that Facility;

(iv) the currency and amount of the Loan(s) comply with Clause 5.3 (*Currency and Amount*); and

(v) the proposed Interest Period complies with Clause 15 (*Interest Periods*).

(b) Multiple Loans may be requested in a Utilisation Request where the proposed Utilisation Date is the Closing Date. Only one Loan may be requested in each subsequent Utilisation Request.

5.3 Currency and amount

(a) The currency specified in a Utilisation Request must be the Base Currency or an Optional Currency.

(b) The amount of a proposed Utilisation must be:

(i) if the currency selected is the Base Currency, not less than US$ 1,000,000 (and thereafter in integral multiples of $1,000,000) or, if less, the Available Facility;

(ii) if the currency selected is Euro, not less than EUR 1,000,000 (and thereafter in integral multiples of €1,000,000) or, if less, the Available Facility; or

(iii) if the currency selected is an Optional Currency, the minimum amount specified by the Facility Agent pursuant to paragraph (b)(ii) of Clause 4.3 (*Conditions relating to Optional Currencies*) or, if less, the Available Facility.

5.4 **Lenders' participation**

(a) Subject to the terms of this Agreement, and subject to Clause 4.5 (*Approved Borrowers*) and Clause 10.1 (*Repayment of Loans*), each Lender shall make available its participation in each Loan through its Facility Office if on the date of the Utilisation Request each of the conditions in Clause 4.2 (*Further conditions precedent*) is satisfied or waived.

(b) Other than as set out in paragraph (c) below, the amount of each Lender's participation in each Loan under a Facility will be equal to the proportion borne by its Available Commitment to the Available Facility in respect of that Facility immediately prior to making the Loan.

(c) If a Revolving Facility Utilisation is made to repay Ancillary Outstandings, each Lender's participation in that Utilisation will be in an amount (as determined by the Facility Agent) which will result as nearly as possible in the aggregate amount of its participation in the Revolving Facility Utilisations then outstanding bearing the same proportion to the aggregate amount of the Revolving Facility Utilisations then outstanding as its Revolving Facility Commitment bears to the Total Revolving Facility Commitments.

(d) The Facility Agent shall determine the Base Currency Amount of each Revolving Facility Loan which is to be made in an Optional Currency and notify each Lender of the amount, currency and the Base Currency Amount of each Loan, the amount of its participation in that Loan and, if different, the amount of that participation to be made available in accordance with Clause 35.1 (*Payments to the Facility Agent*) by the Specified Time.

(e) The Facility Agent shall notify each Lender of the amount of such Lender's participation in each Loan by the Specified Time on the date falling three (3) Business Days before the proposed Utilisation Date.

5.5 **Limitations on Utilisations**

(a) The maximum aggregate Base Currency Amount of all Letters of Credit issued under:

(i) the Revolving Facility shall not exceed the Total Revolving Facility Commitments; and

(ii) the Additional L/C Facility shall not exceed the Total Additional L/C Facility Commitments.

(b) The maximum aggregate amount of the Ancillary Commitments of all the Lenders shall not at any time exceed the Total Revolving Facility Commitments.

5.6 **Cancellation of Commitment**

(a) The Additional L/C Facility Commitments that are unutilised at the end of the Availability Period for the Additional L/C Facility shall be immediately cancelled at that time.

(b) The Revolving Facility Commitments that are unutilised at the end of the Availability Period for the Revolving Facility shall be immediately cancelled at that time.

6. UTILISATION – LETTERS OF CREDIT

6.1 **The Facilities**

(a) The Additional L/C Facility shall only be utilised by way of Letters of Credit.

(b) The Revolving Facility may be utilised by way of Letters of Credit.

(c) Other than Clause 5.5 (*Limitations on Utilisations*), Clause 5 (*Utilisation – Loans*) does not apply to utilisations by way of Letters of Credit.

(d) In determining the amount of the Available Facility and a Lender's L/C Proportion of a proposed Letter of Credit for the purposes of this Agreement the Available Commitment of a Lender will be calculated ignoring (i) any cash cover provided for outstanding Letters of Credit and (ii) repayment of Letters of Credit by way of the issuance of an unconditional and irrevocable guarantee, indemnity, counter-indemnity or similar assurance against financial loss in accordance with paragraph (h)(v) of Clause 1.2 (*Construction*).

6.2 **Delivery of a Utilisation Request for Letters of Credit**

A Borrower (or the Company on its behalf) may request a Letter of Credit to be issued by delivery to the Facility Agent of a duly completed Utilisation Request not later than the Specified Time.

6.3 **Completion of a Utilisation Request for Letters of Credit**

Each Utilisation Request for a Letter of Credit is irrevocable and will not be regarded as having been duly completed unless:

(a) it specifies that it is for a Letter of Credit;

(b) it identifies the Borrower of the Letter of Credit, which shall be:

(i) the Company;

(ii) GLOBALFOUNDRIES U.S. Inc. (in respect of the Additional L/C Facility only); or

(iii) an Approved Borrower under the relevant Facility;

(c) it identifies the Facility to be utilised;

(d) it identifies the Issuing Bank which has agreed to issue the Letter of Credit;

(e) the proposed Utilisation Date is a Business Day within the Availability Period applicable to the Facility;

(f) the currency and amount of the Letter of Credit comply with Clause 6.4 (*Currency and amount*);

(g) the form of Letter of Credit is attached;

(h) the Expiry Date of the Letter of Credit falls on or before the Final Maturity Date in relation to the relevant Facility (unless cash cover is provided in respect of such Letter of Credit prior to the Final Maturity Date); and

(i) the delivery instructions for the Letter of Credit are specified.

6.4 **Currency and amount**

(a) The currency specified in a Utilisation Request must be the Base Currency or an Optional Currency.

(b) Subject to paragraph (a) of Clause 5.5 (*Limitations on Utilisations*), the amount of the proposed Letter of Credit must be an amount whose Base Currency Amount is not more than the Available L/C Facility or the Available Revolving Facility (as applicable) and which is:

(i) if the currency selected is the Base Currency, a minimum of US$ 50,000 or, if less, that Available Facility;

(ii) if the currency selected is the Base Currency, a minimum of EUR 50,000 or, if less, that Available Facility; or

(iii) if the currency selected is an Optional Currency, the minimum amount specified by the Facility Agent pursuant to paragraph (b)(ii) of Clause 4.3 (*Conditions relating to Optional Currencies*) or, if less, that Available Facility.

6.5 **Issue of Letters of Credit**

(a) If the conditions set out in this Agreement have been met, the Issuing Bank shall issue the Letter of Credit on the Utilisation Date.

(b) Subject to Clause 4.1 (*Initial conditions precedent*) and Clause 4.5 (*Approved Borrowers*), the Issuing Bank will only be obliged to comply with paragraph (a) above, if on the date of the Utilisation Request or Renewal Request and on the proposed Utilisation Date:

(i) in the case of a Letter of Credit to be renewed in accordance with Clause 6.6 (*Renewal of a Letter of Credit*), no Event of Default is continuing and, in the case of any other Utilisation, no Default is continuing or would result from the proposed Utilisation; and

(ii) other than in the case of a Letter of Credit to be renewed in accordance with Clause 6.6 (*Renewal of a Letter of Credit*), the Repeating Representations to be made by each Obligor are true in all material respects by reference to the facts and circumstances then subsisting.

(c) The amount of each Lender's participation in each Letter of Credit issued under a Facility will be equal to its L/C Proportion in respect of that Facility.

(d) The Facility Agent shall determine the Base Currency Amount of each Letter of Credit which is to be issued in an Optional Currency and shall notify the Issuing Bank and each Lender under the relevant Facility of the details of the requested Letter of Credit and its participation in that Letter of Credit by the Specified Time.

(e) The Issuing Bank has no duty to enquire of any person whether or not any of the conditions set out in paragraph (b) above have been met. The Issuing Bank may assume that those conditions have been met unless it is expressly notified to the contrary by the Facility Agent. The Issuing Bank will have no liability to any person for issuing a Letter of Credit based on such assumption.

(f) The Issuing Bank is solely responsible for the form of the Letter of Credit that it issues. The Facility Agent has no duty to monitor the form of that document.

(g) Subject to paragraph (i) of Clause 32.7 (*Rights and discretions*), each of the Issuing Bank and the Facility Agent shall provide the other with any information reasonably requested by the other that relates to a Letter of Credit and its issue.

(h) The Issuing Bank may issue a Letter of Credit in the form of a SWIFT message or other form of communication customary in the relevant market but has no obligation to do so.

6.6 **Renewal of a Letter of Credit**

(a) A Borrower (or the Company on its behalf) may request that any Letter of Credit issued on behalf of that Borrower be renewed by delivery to the Facility Agent of a Renewal Request in substantially similar form to a Utilisation Request for a Letter of Credit by the Specified Time.

(b) The Finance Parties shall treat any Renewal Request in the same way as a Utilisation Request for a Letter of Credit except that the condition set out in paragraph (g) of Clause 6.3 (*Completion of a Utilisation Request for Letters of Credit*) shall not apply.

(c) The terms of each renewed Letter of Credit shall be the same as those of the relevant Letter of Credit immediately prior to its renewal, except that:

(i) its amount may be less than the amount of the Letter of Credit immediately prior to its renewal; and

(ii) its Term shall start on the date which was the Expiry Date of the Letter of Credit immediately prior to its renewal (unless such relevant Letter of Credit expires on a business day after the stated Expiry Date in accordance with its terms, in which case the Term of such new Letter of Credit shall expire on such later date), and shall end on the proposed Expiry Date specified in the Renewal Request.

(d) Subject to paragraph (e) below, if the conditions set out in this Agreement have been met, the Issuing Bank shall amend and re-issue any Letter of Credit pursuant to a Renewal Request.

(e) Where a new Letter of Credit is to be issued to replace by way of renewal an existing Letter of Credit in accordance with this Clause 6.7, the applicable Issuing Bank is not required to issue that new Letter of Credit until the Letter of Credit being replaced has been returned to the Issuing Bank or the Issuing Bank is (acting reasonably) satisfied either that it will be returned to it or otherwise that no liability can arise under it.

6.7 **Reduction of a Letter of Credit**

(a) If, on the proposed Utilisation Date of a Letter of Credit issued under a Facility, any Lender under that Facility is a Non-Acceptable L/C Lender and:

(i) that Lender has failed to provide cash collateral to the Issuing Bank in accordance with Clause 7.4 (*Cash collateral by Non-Acceptable L/C Lender and Borrower's option to provide cash cover*); and

(ii) the Borrower of that proposed Letter of Credit has not exercised its right to provide cash cover to the Issuing Bank in accordance with paragraph (g) of Clause 7.4 (*Cash collateral by Non-Acceptable L/C Lender and Borrower's option to provide cash cover*),

the Issuing Bank may reduce the amount of that Letter of Credit by an amount equal to the amount of the participation of that Non-Acceptable L/C Lender in respect of that Letter of Credit and that Non-Acceptable L/C Lender shall be deemed not to have any participation (or obligation to indemnify the Issuing Bank) in respect of that Letter of Credit for the purposes of the Finance Documents.

(b) The Issuing Bank shall notify the Facility Agent and the Company of each reduction made pursuant to this Clause 6.7.

(c) This Clause 6.7 shall not affect the participation of each other Lender in that Letter of Credit.

6.8 **Revaluation of Letters of Credit**

(a) If any Letters of Credit are denominated in an Optional Currency, the Facility Agent shall at six-monthly intervals after the date of this Agreement, recalculate the Base Currency Amount of each Letter of Credit by notionally converting into the Base Currency the outstanding amount of that Letter of Credit on the basis of the Facility Agent's Spot Rate of Exchange on the date of calculation.

(b) The Company shall, if requested by the Facility Agent within ten (10) days of any calculation under paragraph (a) above, ensure that within five (5) Business Days sufficient Revolving Facility Utilisations or Letters of Credit issued under the Additional L/C Facility (as applicable) are prepaid to prevent the Base Currency Amount of the Utilisations exceeding the Total Revolving Facility Commitments (after deducting the total Ancillary Commitments) or the Total Additional L/C Facility Commitments by more than five per cent. (5%) following any adjustment to a Base Currency Amount under paragraph (a) above.

6.9 **Reduction or expiry of Letter of Credit**

If the amount of any Letter of Credit is wholly or partially reduced or it is repaid or prepaid or it expires prior to its Expiry Date, the relevant Issuing Bank and the Borrower that requested (or on behalf of which the Company requested) the issue of that Letter of Credit shall promptly notify the Facility Agent of the details upon becoming aware of them.

6.10 **Appointment of additional Issuing Banks**

Any Lender which has agreed to the Company's request to be an Issuing Bank for the purposes of this Agreement and a relevant Facility shall become a Party as an Issuing Bank in respect of the relevant Facility upon notifying the Facility Agent and the Company that it has so agreed to be an Issuing Bank.

6.11 **Effect of Final Maturity Date**

Each Letter of Credit shall be repaid by the Borrower of that Letter of Credit (or the Company on its behalf) on the Final Maturity Date applicable to the relevant Facility, (or such earlier date in accordance with this Agreement) **provided that** if any Letter of Credit has an Expiry Date ending on or after the Final Maturity Date applicable to the applicable Facility, without prejudice to the repayment obligation in Clause 6.8 (*Revaluation of Letters of Credit*), on such Final Maturity Date each such Letter of Credit shall be repaid unless, in the case of a Letter of Credit with an Expiry Date falling after such Final Maturity Date:

(a) the relevant Issuing Bank agrees that such Letter of Credit shall continue as between that Issuing Bank, and the relevant Borrower on a bilateral basis and not as part of or under the Finance Documents subject to the provision by the relevant Borrower of (i) a back-to-back guarantee or similar instrument in respect of such Letter of Credit or (ii) cash cover or other collateral in relation to such Letter of Credit, in each case, on terms acceptable to the Issuing Bank (acting reasonably) and/or (iii) completion of replacement financing documentation in form and substance satisfactory to the relevant Issuing Bank and the relevant Borrower; and

(b) save for any rights and obligations against any other Finance Party under the Finance Documents arising prior to such Final Maturity Date applicable to the relevant Facility, no rights and obligations in respect of the Letter of Credit shall, as between the Finance Parties, continue, any cash cover or other collateral provided by any Lender in relation to such Letter of Credit shall be released on the Final Maturity Date, and, in such circumstances, from the Final Maturity Date paragraph (b) of Clause 7.3 (*Indemnities*) and Clause 7.4 (*Cash collateral by Non-Acceptable L/C Lender*) shall not apply to any such Letter of Credit or to any claim made or purported to be made under a Letter of Credit made after the Final Maturity Date applicable to the relevant Facility.

7. **LETTERS OF CREDIT**

7.1 **Immediately payable**

If a Letter of Credit or any amount outstanding under a Letter of Credit is expressed to be immediately payable, the Borrower that requested (or on behalf of which the Company requested) the issue of that Letter of Credit shall repay or prepay that amount immediately.

7.2 **Claims under a Letter of Credit**

(a) Each Borrower irrevocably and unconditionally authorises the Issuing Bank to pay any claim made or purported to be made under a Letter of Credit requested by it (or requested by the Company on its behalf) and which appears on its face to be in order (in this Clause 7.2, a "**claim**").

(b) Each Borrower shall within five (5) Business Days of demand pay to the Facility Agent for the relevant Issuing Bank an amount equal to the amount of any claim or, **provided that** no Declared Default has occurred, may elect to have that claim converted into a Loan under the Revolving Facility (whereupon the relevant Borrower shall (unless it notifies the Facility Agent otherwise) be deemed to have delivered a duly completed Utilisation Request for the relevant currency and amount and such Utilisation Request shall be deemed to comply with all applicable requirements of this Agreement).

(c) Each Borrower acknowledges that the Issuing Bank:

(i) is not obliged to carry out any investigation or seek any confirmation from any other person before paying a claim; and

(ii) deals in documents only and will not be concerned with the legality of a claim or any underlying transaction or any available set-off, counterclaim or other defence of any person.

(d) The obligations of a Borrower under this Clause 7 will not be affected by:

(i) the sufficiency, accuracy or genuineness of any claim or any other document; or

(ii) any incapacity of, or limitation on the powers of, any person signing a claim or other document.

7.3 **Indemnities**

(a) Subject to Clause 7.2 above, each Borrower shall immediately on demand indemnify the Issuing Bank against any cost, loss or liability incurred by the Issuing Bank (otherwise than by reason of the Issuing Bank's gross negligence or wilful misconduct) in acting as the Issuing Bank under any Letter of Credit requested by (or on behalf of) that Borrower.

(b) Each Lender under the relevant Facility shall (according to its L/C Proportion) immediately on demand indemnify the Issuing Bank against any cost, loss or liability incurred by the Issuing Bank (otherwise than by reason of the Issuing Bank's gross negligence or wilful misconduct) in acting as the Issuing Bank under any Letter of Credit issued under that Facility (unless the Issuing Bank has been reimbursed by an Obligor pursuant to a Finance Document).

(c) The Borrower which requested (or on behalf of which the Company requested) a Letter of Credit shall immediately on demand reimburse any Lender for any payment it makes to the Issuing Bank under this Clause 7.3 in respect of that Letter of Credit.

(d) The obligations of each Lender or Borrower under this Clause 7 are continuing obligations and will extend to the ultimate balance of sums payable by that Lender or Borrower in respect of any Letter of Credit issued under the relevant Facility, regardless of any intermediate payment or discharge in whole or in part.

(e) If a Borrower has provided cash cover in respect of a Lender's participation in a Letter of Credit, the Issuing Bank shall seek reimbursement from that cash cover before making a demand of that Lender under paragraph (b) above. Any recovery made by an Issuing Bank pursuant to that cash cover will reduce that Lender's liability under paragraph (b) above.

(f) The obligations of any Lender or Borrower under this Clause will not be affected by any act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any of its obligations under this Clause (without limitation and whether or not known to it or any other person) including:

(i) any time, waiver or consent granted to, or composition with, any Obligor, any beneficiary under a Letter of Credit or any other person;

(ii) the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor or any member of the Group;

(iii) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor, any beneficiary under a Letter of Credit or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument (other than the relevant Letter of Credit) or any failure to realise the full value of any security;

(iv) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor, any beneficiary under a Letter of Credit or any other person;

(v) any amendment (however fundamental) or replacement of a Finance Document, any Letter of Credit or any other document or security;

(vi) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document, any Letter of Credit or any other document or security; or

(vii) any insolvency or similar proceedings.

7.4 **Cash collateral by Non-Acceptable L/C Lender and Borrower's option to provide cash cover**

(a) If, at any time, a Lender under the Revolving Facility or the Additional L/C Facility (as applicable) is a Non-Acceptable L/C Lender, an Issuing Bank which has issued a Letter of Credit under any Facility in respect of which such Non-Acceptable L/C Lender is a Lender (a "**Relevant L/C**"), by notice to that Lender, request that Lender to pay and that Lender shall pay, on or prior to the date falling five (5) Business Days after the request by the Issuing Bank, an amount equal to that Lender's L/C Proportion of:

(i) the outstanding amount of the Relevant L/C; or

(ii) in the case of a proposed Relevant L/C, the amount of that proposed Relevant L/C,

and in the currency of that Relevant L/C to an interest-bearing account held in the name of that Lender with the Issuing Bank.

(b) The Non-Acceptable L/C Lender to whom a request has been made in accordance with paragraph (a) above shall enter into a security document or other form of collateral arrangement over the account, in form and substance satisfactory to the Issuing Bank, as collateral for any amounts due and payable under this Agreement by that Lender to the Issuing Bank in respect of that Relevant L/C.

(c) Subject to paragraph (f) below, withdrawals from such an account may only be made to pay the Issuing Bank amounts due and payable to it under this Agreement by the Non-Acceptable L/C Lender in respect of that Relevant L/C until no amount is or may be outstanding under that Relevant L/C.

(d) Each Lender shall notify the Facility Agent and the Company:

(i) on the date of this Agreement or on any later date on which it becomes such a Lender in accordance with Clause 2.2 (*Increase*) or Clause 29 (*Changes to the Lenders*) whether it is a Non-Acceptable L/C Lender; and

(ii) as soon as practicable upon becoming aware of the same, that it has become a Non-Acceptable L/C Lender,

and an indication in Part C (*Original Lenders*) of Schedule 1 (*The Original Parties*), in a Transfer Certificate, in an Assignment Agreement or in an Increase Confirmation to that effect will constitute a notice under paragraph (i) above to the Facility Agent and, upon delivery in accordance with Clause 29.9 (*Copy of Transfer Certificate, Assignment Agreement or Increase Confirmation to Company*), to the Company.

(e) Any notice received by the Facility Agent pursuant to paragraph (d) above shall constitute notice to the Issuing Bank of that Lender's status and the Facility Agent shall, upon receiving each such notice, promptly notify the Issuing Bank of that Lender's status as specified in that notice.

(f) Notwithstanding paragraph (c) above, a Lender which has provided cash collateral in accordance with this Clause 7.4 may, by notice to the Issuing Bank, request that an amount equal to the amount provided by it as collateral in respect of the Relevant L/C (together with any accrued interest) be returned to it:

(i) to the extent that such cash collateral has not been applied in satisfaction of any amount due and payable under this Agreement by that Lender to the Issuing Bank in respect of the Relevant L/C;

(ii) if:

(A) it ceases to be a Non-Acceptable L/C Lender;

(B) its obligations in respect of the Relevant L/C are transferred to a New Lender in accordance with the terms of this Agreement; or

(C) an Increase Lender has agreed to undertake that Lender's obligations in respect of the Relevant L/C in accordance with the terms of this Agreement; and

(iii) if no amount is due and payable by that Lender in respect of a Relevant L/C,

and the Issuing Bank shall pay that amount to the Lender within five (5) Business Days of that Lender's request (and shall cooperate with the Lender in order to procure that the relevant security or collateral arrangement is released and discharged).

(g) To the extent that a Non-Acceptable L/C Lender fails to provide cash collateral (or notifies the Issuing Bank that it will not provide cash collateral) in accordance with this Clause 7.4 in respect of a proposed Relevant L/C, the Issuing Bank shall promptly notify the Company (with a copy to the Facility Agent) and the Borrower of that proposed Relevant L/C may, at any time before the proposed Utilisation Date of that Relevant L/C, provide cash cover to an account with the Issuing Bank in an amount equal to that Lender's L/C Proportion of the amount of that proposed Relevant L/C.

7.5 **Requirement for cash cover from Borrower**

If:

(a) a Non-Acceptable L/C Lender fails to provide cash collateral (or notifies the Issuing Bank that it will not provide cash collateral) in accordance with Clause 7.4 (*Cash collateral by Non Acceptable L/C Lender and Borrower's option to provide cash cover*) in respect of a Relevant L/C that has been issued;

(b) the Issuing Bank notifies the Company (with a copy to the Facility Agent) that it requires the Borrower of the Relevant L/C to provide cash cover to an account with the Issuing Bank in an amount equal to that Lender's L/C Proportion of the outstanding amount of that Relevant L/C; and

(c) that Borrower has not already provided such cash cover which is continuing to stand as collateral,

then that Borrower shall provide such cash cover within five (5) Business Days of the notice referred to in paragraph (b) above.

7.6 **Regulation and consequences of cash cover provided by Borrower**

(a) Any cash cover provided by a Borrower pursuant to Clause 7.4 (*Cash collateral by Non-Acceptable L/C Lender and Borrower's option to provide cash cover*) or Clause 7.5 (*Requirement for cash cover from Borrower*) may be funded out of the Revolving Facility.

(b) Notwithstanding paragraph (f) of Clause 1.2 (*Construction*), the relevant Borrower may request that an amount equal to the cash cover (together with any accrued interest) provided by it pursuant to Clause 7.4 (*Cash collateral by Non-Acceptable L/C Lender and Borrower's option to provide cash cover*) or Clause 7.5 (*Requirement for cash cover from Borrower*) be returned to it:

(i) to the extent that such cash cover has not been applied in satisfaction of any amount due and payable under this Agreement by that Borrower to the Issuing Bank in respect of a Letter of Credit;

(ii) if:

(A) the relevant Lender ceases to be a Non-Acceptable L/C Lender;

(B) the relevant Lender's obligations in respect of the relevant Letter of Credit are transferred to a New Lender in accordance with the terms of this Agreement; or

(C) an Increase Lender has agreed to undertake the relevant Lender's obligations in respect of the relevant Letter of Credit in accordance with the terms of this Agreement; and

(iii) if no amount is due and payable by the relevant Lender in respect of the relevant Letter of Credit,

and the Issuing Bank shall pay that amount to that Borrower within five (5) Business Days of that Borrower's request.

(c) To the extent that a Borrower has provided cash cover pursuant to Clause 7.4 (*Cash collateral by Non-Acceptable L/C Lender and Borrower's option to provide cash cover*) or Clause 7.5 (*Requirement for cash cover from Borrower*), the relevant Lender's L/C Proportion in respect of that Letter of Credit will remain (but that Lender's obligations in relation to that Letter of Credit may be satisfied in accordance with paragraph (f)(ii) of Clause 1.2 (*Construction*)). However the relevant Borrower's obligation to pay any Letter of Credit fee in relation to the relevant Letter of Credit to the Facility Agent (for the account of that Lender) in accordance with paragraph (a) of Clause 17.4 (*Fees payable in respect of Letters of Credit*) will be reduced proportionately as from the date on which it provides that cash cover (and for so long as the relevant amount of cash cover continues to stand as collateral).

(d) The relevant Issuing Bank shall promptly notify the Facility Agent of the extent to which a Borrower provides cash cover pursuant to Clause 7.4 (*Cash collateral by Non-Acceptable L/C Lender and Borrower's option to provide cash cover*) or Clause 7.5 (*Requirement for cash cover from Borrower*) and of any change in the amount of cash cover so provided.

7.7 **Rights of contribution**

No Obligor will be entitled to any right of contribution or indemnity from any Finance Party in respect of any payment it may make under this Clause 7.

7.8 **Lender as Issuing Bank**

A Lender which is also an Issuing Bank shall be treated as a separate entity in those capacities and capable, as a Lender, of contracting with itself as an Issuing Bank.

7.9 **Existing Letters of Credit**

Notwithstanding any provision of this Agreement to the contrary, a Borrower (or the Company on its behalf) may by notice in writing to the Facility Agent (including in any Utilisation Request) require that any Existing Letter of Credit be deemed a Letter of Credit issued and established under the Additional L/C Facility and with effect from the date specified in such notice (being a date falling within the Availability Period of the Additional L/C Facility) that any such Existing Letter of Credit shall be a Letter of Credit for all purposes under this Agreement, subject only to the Facility Agent having received notification in writing from the Original Additional L/C Lender that it agrees to the Existing Letter of Credit being a Letter of Credit issued under the Additional L/C Facility for all purposes under this Agreement.

8. OPTIONAL CURRENCIES

8.1 Selection of currency

A Borrower (or the Company on its behalf) shall select the currency of a Utilisation in a Utilisation Request.

8.2 Unavailability of a currency

If before the Specified Time on any Quotation Day:

(a) a Lender notifies the Facility Agent that the Optional Currency requested is not readily available to it in the amount required; or

(b) a Lender notifies the Facility Agent that compliance with its obligation to participate in a Loan in the proposed Optional Currency would contravene a law or regulation applicable to it,

the Facility Agent will give notice to the relevant Borrower or the Company to that effect by the Specified Time on that day. In this event, any Lender that gives notice pursuant to this Clause 8.2 will be required to participate in the Loan in the Base Currency (in an amount equal to that Lender's proportion of the Base Currency Amount, or in respect of a Rollover Loan, an amount equal to that Lender's proportion of the Base Currency Amount of the Rollover Loan that is due to be made) and its participation will be treated as a separate Loan denominated in the Base Currency during that Interest Period.

8.3 Facility Agent's calculations

Each Lender's participation in a Loan will be determined in accordance with paragraph (b) of Clause 5.4 (*Lenders' Participation*).

9. ANCILLARY FACILITIES

9.1 Type of Facility

An Ancillary Facility may be by way of:

(a) an overdraft facility;

(b) a guarantee, bonding, documentary or stand-by letter of credit facility;

(c) a short term loan facility;

(d) a derivatives facility;

(e) a foreign exchange facility; or

(f) any other facility or accommodation required in connection with the business of the Group and which is agreed by the Company with an Ancillary Lender.

9.2 **Availability**

(a) If the Company and a Lender agree and except as otherwise provided in this Agreement, the Lender may provide all or part of its Revolving Facility Commitment as an Ancillary Facility.

(b) An Ancillary Facility shall not be made available unless, not later than three (3) Business Days prior to the Ancillary Commencement Date for an Ancillary Facility, the Facility Agent has received from the Company:

(i) a notice in writing of the establishment of an Ancillary Facility and specifying:

(A) the proposed Facility to be utilised, which shall be the Revolving Facility;

(B) the proposed Borrower(s) which may use the Ancillary Facility;

(C) the proposed Ancillary Commencement Date and expiry date of the Ancillary Facility;

(D) the proposed type of Ancillary Facility to be provided;

(E) the proposed Ancillary Lender;

(F) the proposed Ancillary Commitment, the maximum amount of the Ancillary Facility and, in the case of a Multi-account Overdraft, its Designated Gross Amount and its Designated Net Amount; and

(G) the proposed currency of the Ancillary Facility (if not denominated in the Base Currency); and

(ii) any other information which the Facility Agent may reasonably request in connection with the Ancillary Facility.

(c) The Facility Agent shall promptly notify the Ancillary Lender and the other Lenders of the establishment of an Ancillary Facility.

(d) Subject to compliance with paragraph (b) above:

(i) the Lender concerned will become an Ancillary Lender; and

(ii) the Ancillary Facility will be available,

with effect from the date agreed by the Company and the Ancillary Lender.

9.3 **Terms of Ancillary Facilities**

(a) Except as provided below, the terms of any Ancillary Facility will be those agreed by the Ancillary Lender and the Company.

(b) Those terms:

(i) must be based upon normal commercial terms at that time (except as varied by this Agreement);

(ii) may allow only Borrowers (or Affiliates of Borrowers nominated pursuant to Clause 9.9 (*Affiliates of Borrowers*)) to use the Ancillary Facility;

(iii) may not allow the Ancillary Outstandings to exceed the Ancillary Commitment;

(iv) may not allow a Lender's Ancillary Commitment to exceed that Lender's Available Commitment relating to the Revolving Facility (before taking into account the effect of the Ancillary Facility on the Available Commitment under the Revolving Facility); and

(v) must require that the Ancillary Commitment is reduced to zero, and that all Ancillary Outstandings are repaid not later than the Final Maturity Date applicable to the applicable Facility (or such earlier date as the Commitment of the relevant Ancillary Lender (or its Affiliate) is reduced to zero).

(c) If there is any inconsistency between any term of an Ancillary Facility and any term of this Agreement, this Agreement shall prevail except for:

(i) Clause 39.3 (*Day count convention*) which shall not prevail for the purposes of calculating fees, interest or commission relating to an Ancillary Facility;

(ii) an Ancillary Facility comprising more than one account where the terms of the Ancillary Documents shall prevail to the extent required to permit the netting of balances on those accounts; and

(iii) where the relevant term of this Agreement would be contrary to, or inconsistent with, the law governing the relevant Ancillary Document, in which case that term of this Agreement shall not prevail.

(d) Interest, commission and fees on Ancillary Facilities are dealt with in Clause 17.5 (*Interest, commission and fees on Ancillary Facilities*).

9.4 **Repayment of Ancillary Facility**

(a) An Ancillary Facility shall cease to be available on the Final Maturity Date applicable to the Revolving Facility or such earlier date on which its expiry date occurs or on which it is cancelled in accordance with the terms of this Agreement.

(b) If an Ancillary Facility expires in accordance with its terms the Ancillary Commitment of the Ancillary Lender shall be reduced to zero.

(c) No Ancillary Lender may demand repayment or prepayment of any Ancillary Outstandings prior to the expiry date of the relevant Ancillary Facility unless:

(i) the Total Revolving Facility Commitments have been cancelled in full or all outstanding Utilisations under the Revolving Facility have become due and payable in accordance with the terms of this Agreement;

(ii) it becomes unlawful in any applicable jurisdiction for the Ancillary Lender to perform any of its obligations as contemplated by this Agreement or to fund, issue or

maintain its participation in its Ancillary Facility (or it becomes unlawful for any Affiliate of the Ancillary Lender for the Ancillary Lender to do so); or

(iii) both:

(A) the Available Commitments relating to the Revolving Facility; and

(B) the notice of the demand given by the Ancillary Lender,

would not prevent the relevant Borrower funding the repayment of those Ancillary Outstandings in full by way of Revolving Facility Utilisation.

(d) If a Utilisation is made to repay Ancillary Outstandings in full, the relevant Ancillary Commitment shall be reduced to zero.

9.5 **Limitation on Ancillary Outstandings**

Each Borrower shall procure that:

(a) the Ancillary Outstandings under any Ancillary Facility shall not exceed the Ancillary Commitment applicable to that Ancillary Facility; and

(b) in relation to a Multi-account Overdraft:

(i) the Ancillary Outstandings shall not exceed the Designated Net Amount applicable to that Multi-account Overdraft; and

(ii) the Gross Outstandings shall not exceed the Designated Gross Amount applicable to that Multi-account Overdraft.

9.6 **Adjustment for Ancillary Facilities upon acceleration**

(a) In this Clause 9.6:

(i) "**Outstandings**" means, in relation to a Lender, the aggregate of the equivalent in the Base Currency of:

(A) its participation in each Utilisation under the Revolving Facility then outstanding under the Revolving Facility (together with the aggregate amount of all accrued interest, fees and commission owed to it as a Lender under the Revolving Facility); and

(B) if the Lender is also an Ancillary Lender, the Ancillary Outstandings in respect of an Ancillary Facility under the Revolving Facility provided by that Ancillary Lender (or by its Affiliate) (together with the aggregate amount of all accrued interest, fees and commission owed to it (or to its Affiliate) as an Ancillary Lender in respect of the Ancillary Facility); and

(ii) "**Total Outstandings**" means the aggregate of all Outstandings under the Revolving Facility.

(b) If the Facility Agent exercises any of its rights under Clause 28 (*Remedies following Default*) (other than declaring Utilisations to be due on demand), each Lender and each Ancillary Lender shall promptly adjust (by making or receiving (as the case may be) corresponding transfers of rights and obligations under the Finance Documents relating to Outstandings) their claims in respect of amounts outstanding to them under the Revolving Facility and each Ancillary Facility to the extent necessary to ensure that after such transfers the Outstandings of each Lender bear the same proportion to the Total Outstandings as such Lender's relevant Commitment bears to the Total Revolving Facility Commitments, each as at the date the Facility Agent exercises the relevant right(s) under Clause 28 (*Remedies following Default*).

(c) If an amount outstanding under an Ancillary Facility is a contingent liability and that contingent liability becomes an actual liability or is reduced to zero after the original adjustment is made under paragraph (b) above, then each Lender and Ancillary Lender will make a further adjustment (by making or receiving (as the case may be) corresponding transfers of rights and obligations under the Finance Documents relating to Outstandings to the extent necessary) to put themselves in the position they would have been in had the original adjustment been determined by reference to the actual liability or, as the case may be, zero liability and not the contingent liability.

(d) Any transfer of rights and obligations relating to Outstandings made pursuant to this Clause 9.6 shall be made for a purchase price in cash, payable at the time of transfer, in an amount equal to those Outstandings (less any accrued interest, fees and commission to which the transferor will remain entitled to receive notwithstanding that transfer, pursuant to Clause 29.11 (*Pro rata interest settlement*)).

(e) Prior to the application of the provisions of paragraph (b) above, an Ancillary Lender that has provided a Multi-account Overdraft shall set-off any Available Credit Balance on any account comprised in that Multi-account Overdraft.

(f) All calculations to be made pursuant to this Clause 9.6 shall be made by the Facility Agent based upon information provided to it by the Lenders and Ancillary Lenders and the Facility Agent's Spot Rate of Exchange.

(g) This Clause 9.6 shall not oblige any Lender to accept the transfer of a claim relating to an amount outstanding under an Ancillary Facility which is not denominated (pursuant to the relevant Finance Document) in either the Base Currency, a currency which has been an Optional Currency for the purpose of any Utilisation or in another currency which is acceptable to that Lender.

9.7 **Information**

Each Borrower and each Ancillary Lender shall, promptly upon request by the Facility Agent, supply the Facility Agent with any information relating to the operation of an Ancillary Facility (including the Ancillary Outstandings) as the Facility Agent may reasonably request from time to time. Each Borrower consents to all such information being released to the Facility Agent and the other Finance Parties.

9.8 **Affiliates of Lenders as Ancillary Lenders**

(a) Subject to the terms of this Agreement, an Affiliate of a Lender under the Revolving Facility may become an Ancillary Lender. In such case, the Lender under the Revolving Facility and its Affiliate shall be treated as a single Lender whose Revolving Facility Commitment is the amount set out opposite the relevant Lender's name in Part C (*Original Lenders*) of Schedule 1 (*The Original Parties*) and/or the amount of any Revolving Facility Commitment transferred to or assumed by that Lender under this Agreement, to the extent (in each case) not cancelled, reduced or transferred by it under this Agreement.

(b) The Company shall specify any relevant Affiliate of a Lender in any notice delivered by the Company to the Facility Agent pursuant to paragraph (b)(i) of Clause 9.2 (*Availability*).

(c) If a Lender assigns all of its rights and benefits or transfers all of its rights and obligations to a New Lender, its Affiliate shall cease to have any obligations under this Agreement or any Ancillary Document.

(d) Where this Agreement or any other Finance Document imposes an obligation on an Ancillary Lender and the relevant Ancillary Lender is an Affiliate of a Lender which is not a party to that document, the relevant Lender shall ensure that the obligation is performed by its Affiliate.

9.9 **Affiliates of Borrowers**

(a) Subject to the terms of this Agreement, an Affiliate incorporated in Germany, Singapore or the US of a Borrower may with the approval of the relevant Ancillary Lender become a borrower with respect to an Ancillary Facility.

(b) The Company shall specify any relevant Affiliate of a Borrower in any notice delivered by the Company to the Facility Agent pursuant to paragraph (b)(i) of Clause 9.2 (*Availability*).

(c) If a Borrower ceases to be a Borrower under this Agreement in accordance with Clause 31.3 (*Resignation of a Borrower*), its Affiliate shall cease to have any rights under this Agreement or any Ancillary Document.

(d) Where this Agreement or any other Finance Document imposes an obligation on a Borrower under an Ancillary Facility and the relevant Borrower is an Affiliate of a Borrower which is not a party to that document, the relevant Borrower shall ensure that the obligation is performed by its Affiliate.

(e) Any reference in this Agreement or any other Finance Document to a Borrower being under no obligations (whether actual or contingent) as a Borrower under such Finance Document shall be construed to include a reference to any Affiliate of a Borrower being under no obligations under any Finance Document or Ancillary Document.

9.10 **Revolving Facility Commitment amounts**

Notwithstanding any other term of this Agreement, each Lender shall ensure that at all times its Commitment in respect of the Revolving Facility is not less than:

(a) its Ancillary Commitment; or

(b) the Ancillary Commitment of its Affiliate.

9.11 **Amendments and Waivers – Ancillary Facilities**

No amendment or waiver of a term of any Ancillary Facility shall require the consent of any Finance Party other than the relevant Ancillary Lender unless such amendment or waiver itself relates to or gives rise to a matter which would require an amendment of, or waiver under, this Agreement (including, for the avoidance of doubt, under this Clause 9). In such a case, Clause 42 (*Amendments and Waivers*) will apply.

9.12 **Continuation of Ancillary Facilities**

(a) Each Ancillary Facility shall be repaid or prepaid and cancelled on the Final Maturity Date (or such earlier date in accordance with this Agreement), **provided that** a Borrower and an Ancillary Lender may, as between themselves only, agree that any Ancillary Facilities will continue to remain available following the Final Maturity Date applicable to the relevant Facility or, as the case may be, the date the relevant Commitments are otherwise cancelled under this Agreement.

(b) If any arrangement contemplated in paragraph (a) above is to occur, each relevant Borrower and the Ancillary Lender shall each confirm that to be the case in writing to the Facility Agent. Upon such Final Maturity Date or, as the case may be, date of cancellation, any such facility shall continue as between the said entities and not as part of, or under, the Finance Documents. Save for any rights and obligations against any Finance Party under the Finance Documents arising prior to such Final Maturity Date or, as the case may be, date of cancellation, no such rights or obligations in respect of such Ancillary Facility shall, as between the Finance Parties, continue.

10. **REPAYMENT**

10.1 **Repayment of Loans**

(a) Subject to paragraph (c) below, each Borrower which has drawn a Loan shall repay that Loan on the last day of its Interest Period.

(b) Without prejudice to each Borrower's obligation under paragraph (a) above, if:

(i) one or more Loans are to be made available to a Borrower:

(A) on the same day that a maturing Loan is due to be repaid by that Borrower;

(B) in the same currency as the maturing Loan (unless it arose as a result of the operation of Clause 8.2 (*Unavailability of a currency*)); and

(C) in whole or in part for the purpose of refinancing the maturing Loan; and

(ii) the proportion borne by each Lender's participation in the maturing Loan to the amount of that maturing Loan is the same as the proportion borne by that Lender's participation in the new Loans to the aggregate amount of those new Loans,

the aggregate amount of the new Loans shall, unless the relevant Borrower or the Company notifies the Facility Agent to the contrary in the relevant Utilisation Request, be treated as if applied in or towards repayment of the maturing Loan so that:

(A) if the amount of the maturing Loan exceeds the aggregate amount of the new Loans:

(1) the relevant Borrower will only be required to make a payment under Clause 35.1 (*Payments to the Facility Agent*) in an amount in the relevant currency equal to that excess; and

(2) each Lender's participation in the new Loans shall be treated as having been made available and applied by the Borrower in or towards repayment of that Lender's participation in the maturing Loan and that Lender will not be required to make a payment under Clause 35.1 (*Payments to the Facility Agent*) in respect of its participation in the new Revolving Facility Loans; and

(B) if the amount of the maturing Loan is equal to or less than the aggregate amount of the new Loans:

(1) the relevant Borrower will not be required to make a payment under Clause 35.1 (*Payments to the Facility Agent*); and

(2) each Lender will be required to make a payment under Clause 35.1 (*Payments to the Facility Agent*) in respect of its participation in the new Loans only to the extent that its participation in the new Loans exceeds that Lender's participation in the maturing Loan and the remainder of that Lender's participation in the new Loans shall be treated as having been made available and applied by the Borrower in or towards repayment of that Lender's participation in the maturing Loan.

(c) At any time when a Lender becomes a Defaulting Lender, the maturity date of each of the participations of that Lender in the Loans then outstanding will be automatically extended to the last day of the relevant Availability Period and will be treated as separate Loans (the "**Separate Loans**") denominated in the currency in which the relevant participations are outstanding.

(d) A Borrower to whom a Separate Loan is outstanding may prepay that Loan by giving not less than five (5) Business Days' prior notice to the Facility Agent. The Facility Agent will forward a copy of a prepayment notice received in accordance with this paragraph (d) to the Defaulting Lender concerned as soon as practicable on receipt.

(e) Interest in respect of a Separate Loan will accrue for successive Interest Periods selected by the Borrower by the time and date specified by the Facility Agent (acting reasonably) and will be payable by that Borrower to the Facility Agent (for the account of that Defaulting Lender) on the last day of each Interest Period of that Loan.

(f) The terms of this Agreement relating to Loans generally shall continue to apply to Separate Loans other than to the extent inconsistent with paragraphs (c) to (e) above, in which case those paragraphs shall prevail in respect of any Separate Loan.

11. ILLEGALITY, VOLUNTARY PREPAYMENT AND CANCELLATION

11.1 Illegality

(a) If, in any applicable jurisdiction, it becomes unlawful (including, for the avoidance of doubt, as a result of a breach of Sanctions) for a Lender to perform any of its obligations as contemplated by the Finance Documents or to fund or maintain its participation in any Loan:

(i) such Lender shall promptly notify the Facility Agent upon becoming aware of that event, the Facility Agent shall promptly notify the Company thereof;

(ii) unless the Company has exercised its rights under Clause 42.8 (*Replacement of Lender*) to replace that Lender, each Available Commitment of that Lender will be immediately cancelled; and

(iii) the relevant Borrower shall repay that Lender's participation in the Utilisations on the last day of the relevant Interest Period for each such Utilisation occurring after the Facility Agent has notified the Company or, if earlier, the date specified by the Lender in the notice delivered to the Facility Agent (being no earlier than the last day of any applicable grace period permitted by law), in each case, together with all accrued and unpaid interest and fees, any Break Costs and all other amounts payable to that Lender under this Agreement relating to such Utilisation and that Lender's participation in that Facility and that Lender's corresponding Commitment(s) shall be cancelled in the amount of the participations repaid.

(b) If any Obligor is in breach of any Sanctions, such Obligor shall, promptly upon becoming aware of that event, notify the Facility Agent, who shall notify the Lenders of such breach.

11.2 Illegality in relation to Issuing Bank

If it becomes unlawful for an Issuing Bank to issue or leave outstanding any Letter of Credit or it becomes unlawful for any Affiliate of an Issuing Bank for that Issuing Bank to do so then:

(a) that Issuing Bank shall promptly notify the Facility Agent upon becoming aware of that event;

(b) upon the Facility Agent notifying the Company, the Issuing Bank shall not be obliged to issue any Letter of Credit under the relevant Facility;

(c) the Company shall procure that the relevant Borrower shall use its best endeavours to procure the release of each Letter of Credit issued by that Issuing Bank and outstanding at such time on or before the date specified by the Issuing Bank in the notice delivered to the Facility Agent (being no earlier than the last day of any applicable grace period permitted by law); and

(d) unless any other Lender is or has become an Issuing Bank pursuant to the terms of this Agreement, the relevant Facility shall cease to be available for the issue of Letters of Credit.

11.3 **Voluntary cancellation**

The Company or any Borrower may, if it gives the Facility Agent not less than ten (10) days' prior notice, cancel the whole or any part (being a minimum amount of US$1,000,000) of an Available Facility. Any cancellation under this Clause 11.2 shall reduce the Commitments of the Lenders under the relevant Facility rateably.

11.4 **Voluntary prepayment of Utilisations**

A Borrower to which a Utilisation has been made may, if it or the Company gives the Facility Agent not less than five (5) Business Days' (or such shorter period as the Majority L/C Lenders or Majority RCF Lenders, as applicable, may agree) prior notice, prepay the whole or any part of a Utilisation (but if in part, being an amount that reduces the Base Currency Amount of the Utilisation by a minimum amount of $1,000,000).

11.5 **Right of cancellation and repayment in relation to a single Lender or Issuing Bank**

(a) If:

(i) any sum payable to any Lender by an Obligor is required to be increased under paragraph (c) of Clause 18.1 (*Tax Gross-up*); or

(ii) any Lender or Issuing Bank claims indemnification from the Company or an Obligor under Clause 18.2 (*Tax Indemnity*) or Clause 19.1 (*Increased costs*),

the Company may, whilst the circumstance giving rise to the requirement for that increase or indemnification continues, give the Facility Agent notice:

(A) (if such circumstances relate to a Lender) of cancellation of the Commitments of that Lender and its intention to procure the repayment of that Lender's participation in the Utilisations; or

(B) (if such circumstances relate to the Issuing Bank) of repayment of any outstanding Letter of Credit issued by it and cancellation of its appointment as an Issuing Bank under this Agreement in relation to any Letters of Credit to be issued in the future; or

(C) its intention to replace such Lender in accordance with Clause 42.8 (*Replacement of Lender*).

(b) On receipt of a notice referred to in paragraph (a) above in relation to a Lender, the Commitment(s) of that Lender shall immediately be reduced to zero.

(c) On the last Business Day of the relevant Interest Period for each Loan which ends after the Company has given notice under paragraph (a) above in relation to a Lender (or, if earlier, the date specified by the Company in that notice), each Borrower to which a Utilisation is outstanding shall repay that Lender's participation in that Utilisation together with all interest and other amounts accrued under the Finance Documents.

(d) In the case of a prepayment pursuant to this Clause 11.5, the remaining Lenders shall, in good faith, provide all commercially reasonable assistance to the Company in exploring alternative sources of bank and other financing to replace any such affected Lender.

11.6 **Right of cancellation in relation to a Defaulting Lender**

(a) If any Lender becomes a Defaulting Lender, the Company may, at any time whilst the Lender continues to be a Defaulting Lender, give the Facility Agent ten (10) Business Days' notice of cancellation of each Available Commitment of that Lender.

(b) On the notice referred to in paragraph (a) above becoming effective, each Available Commitment of the Defaulting Lender shall immediately be reduced to zero.

(c) The Facility Agent shall as soon as practicable after receipt of a notice referred to in paragraph (a) above, notify all the Lenders.

12. **MANDATORY PREPAYMENT AND CANCELLATION**

12.1 **Change of Control**

If a Change of Control occurs, then:

(a) the Company shall promptly notify the Facility Agent upon becoming aware of such Change of Control and the Facility Agent shall promptly notify the Lenders (the date of such notification being, the "**Notification Date**");

(b) each Lender under any Facility shall have the right by notice in writing to be received by the Facility Agent within sixty (60) calendar days (unless such Lender has earlier waived the right to be prepaid) of the Notification Date to elect for its Commitments to be cancelled and its participation in all outstanding Utilisations and its Ancillary Outstandings to be prepaid ("**Change of Control Election**"); and

(c) if any Lender makes a Change of Control Election, its Available Commitments shall automatically be cancelled on and as of the date of such election without further action by any of the Parties and its participation in all outstanding Utilisations and its Ancillary Outstandings, together with accrued interest, Break Costs and all other amounts accrued under the Finance Documents in respect of such participation shall become due and payable on the date falling ninety (90) calendar days after the Notification Date.

13. **RESTRICTIONS**

13.1 **Notices of cancellation or prepayment**

Any notice of cancellation, prepayment, authorisation or other election given by any Party under Clause 11 (*Illegality, voluntary prepayment and cancellation*) shall (subject to the terms of those Clauses) be irrevocable and, unless a contrary indication appears in this Agreement, shall specify the date or dates upon which the relevant cancellation or prepayment is to be made and the amount of that cancellation or prepayment, **provided that**, for the avoidance of doubt, conditional notices shall be permitted.

13.2 **Interest and other amounts**

Any prepayment under this Agreement shall be made together with accrued interest on the amount prepaid and, subject to applicable Break Costs, without premium or penalty.

13.3 **Reborrowing of Revolving Facility and Additional L/C Facility**

Unless a contrary indication appears in this Agreement, any part of the Revolving Facility or the Additional L/C Facility which is prepaid or repaid may be reborrowed in accordance with the terms of this Agreement.

13.4 **Prepayment in accordance with Agreement**

No Borrower shall repay or prepay all or any part of the Utilisations or cancel all or any part of the Commitments except at the times and in the manner expressly provided for in this Agreement.

13.5 **No reinstatement of Commitments**

Subject to Clause 2.2 (*Increase*), no amount of the Total Commitments cancelled under this Agreement may be subsequently reinstated.

13.6 **Facility Agent's receipt of notices**

If the Facility Agent receives a notice under Clause 11 (*Illegality, voluntary prepayment and cancellation*), it shall promptly forward a copy of that notice or election to either the Company or the affected Lender, as appropriate.

13.7 **Effect of repayment and prepayment on Commitments**

If all or part of any Lender's participation in a Loan under a Facility is repaid or prepaid and is not available for redrawing other than by operation of Clause 4.2 (*Further conditions precedent*), an amount of that Lender's Commitment (equal to the amount of the participation which is repaid or prepaid) in respect of that Facility will be deemed to be cancelled on the date of repayment or prepayment.

13.8 **Application of prepayments**

Any prepayment of a Utilisation (other than a prepayment pursuant to Clause 11.1 (*Illegality*), Clause 11.4 (*Right of cancellation and repayment in relation to a single Lender or Issuing Bank*) or Clause 12.1 (*Change of Control*)) shall be applied *pro rata* to each Lender's participation in that Loan.

14. **INTEREST**

14.1 **Calculation of interest**

The rate of interest on each Loan for each Interest Period is the percentage rate per annum which is the aggregate of the applicable:

(a) Margin; and

(b) LIBOR or, in relation to any Loan in Euro, EURIBOR.

14.2 **Payment of interest**

Except where it is provided to the contrary in this Agreement, the Borrower to which a Loan has been made shall pay accrued interest on that Loan on the last day of each Interest Period for that Loan.

14.3 **Default interest**

(a) If an Obligor fails to pay any amount payable by it under a Finance Document on its due date, interest shall accrue on the overdue amount from the due date up to the date of actual payment (both before and after judgment) at a rate which, subject to paragraph (b) below, is one per cent. (1.0%) per annum higher than the rate which would have been payable if the overdue amount had, during the period of non-payment, constituted a Loan in the currency of the overdue amount for successive Interest Periods, each of a duration selected by the Facility Agent (acting reasonably). Any interest accruing under this Clause 14.3 shall be immediately payable by the Obligor on demand by the Facility Agent.

(b) If any overdue amount consists of all or part of a Loan which became due on a day which was not the last day of an Interest Period relating to that Loan:

(i) the first Interest Period for that overdue amount shall have a duration equal to the unexpired portion of the current Interest Period relating to that Loan; and

(ii) the rate of interest applying to the overdue amount during that first Interest Period shall be one per cent. (1.0%) per annum higher than the rate which would have applied if the overdue amount had not become due.

(c) Default interest (if unpaid) arising on an overdue amount will be compounded with the overdue amount at the end of each Interest Period applicable to that overdue amount but will remain immediately due and payable.

14.4 **Notification of rates of interest**

(a) The Facility Agent shall promptly notify the relevant Lenders and the relevant Borrower (or the Company) of the determination of a rate of interest under this Agreement.

(b) The Facility Agent shall promptly notify the relevant Borrower (or the Company) of each Funding Rate relating to a Loan.

15. **INTEREST PERIODS**

15.1 **Selection**

(a) A Borrower (or the Company on behalf of a Borrower) may select an Interest Period for a Loan in the Utilisation Request for that Loan.

(b) Subject to this Clause 15, a Borrower (or the Company) may select an Interest Period of one (1), two (2), three (3) or six (6) Months or any other period agreed between the Company and the Facility Agent (acting on the instructions of all the Lenders in relation to the relevant Loan).

(c) An Interest Period for a Loan shall not extend beyond the Final Maturity Date applicable to its Facility.

(d) Each Interest Period for a Loan shall start on the Utilisation Date.

(e) A Loan has one Interest Period only.

15.2 **Non-Business Days**

If an Interest Period would otherwise end on a day which is not a Business Day, that Interest Period will instead end on the next Business Day in that calendar month (if there is one) or the preceding Business Day (if there is not).

16. **CHANGES TO THE CALCULATION OF INTEREST**

16.1 **Unavailability of Screen Rate**

(a) *Interpolated Screen Rate*: If no Screen Rate is available for LIBOR or, if applicable, EURIBOR for the Interest Period of a Loan, the applicable LIBOR or EURIBOR shall be the Interpolated Screen Rate for a period equal in length to the Interest Period of that Loan.

(b) *Shortened Interest Period*: If no Screen Rate is available for LIBOR or, if applicable, EURIBOR for:

(i) the currency of a Loan; or

(ii) the Interest Period of a Loan and it is not possible to calculate the Interpolated Screen Rate,

the Interest Period of that Loan shall (if it is longer than the applicable Fallback Interest Period) be shortened to the applicable Fallback Interest Period and the applicable LIBOR or EURIBOR for that shortened Interest Period shall be determined pursuant to the relevant definition.

(c) *Shortened Interest Period and Historic Screen Rate*: If the Interest Period of a Loan is, after giving effect to paragraph (b) above, either the applicable Fallback Interest Period or shorter than the applicable Fallback Interest Period and, in either case, no Screen Rate is available for LIBOR or, if applicable, EURIBOR for:

(i) the currency of that Loan; or

(ii) the Interest Period of that Loan and it is not possible to calculate the Interpolated Screen Rate,

the applicable LIBOR or EURIBOR shall be the Historic Screen Rate for that Loan.

(d) *Shortened Interest Period and Interpolated Historic Screen Rate*: If paragraph (c) above applies but no Historic Screen Rate is available for the Interest Period of the Loan, the applicable LIBOR or EURIBOR shall be the Interpolated Historic Screen Rate for a period equal in length to the Interest Period of that Loan.

(e) *Reference Bank Rate*: If paragraph (d) above applies but it is not possible to calculate the Interpolated Historic Screen Rate, the Interest Period of that Loan shall, if it has been shortened pursuant to paragraph (b) above, revert to its previous length and the applicable LIBOR or EURIBOR shall be the Reference Bank Rate as of the Specified Time for the currency of that Loan and for a period equal in length to the Interest Period of that Loan.

(f) If LIBOR or EURIBOR (as applicable) is no longer available or in place of LIBOR or EURIBOR (as applicable) the lending market has adopted a common alternative reference rate, then subject to consent from the Company, the Facility Agent may specify that such common alternative reference rate be used.

(g) *Cost of funds*: If either (A) paragraph (e) above applies but no Reference Bank Rate is available for Dollars or Euros (as applicable) for the relevant Interest Period or (B) paragraph (f) above is applicable, there shall be no LIBOR or EURIBOR (as applicable) for that Loan and Clause 16.4 (*Cost of funds*) shall apply to that Loan for that Interest Period.

16.2 **Calculation of Reference Bank Rate**

(a) Subject to paragraph (b) below, if LIBOR or EURIBOR is to be determined on the basis of a Reference Bank Rate but a Reference Bank does not supply a quotation by the Specified Time, the Reference Bank Rate shall be calculated on the basis of the quotations of the remaining Reference Banks.

(b) If at or about noon on the Quotation Day, none or only one of the Reference Banks supplies a quotation, there shall be no Reference Bank Rate for the relevant Interest Period.

16.3 **Market disruption**

If before close of business in London (17:00 London time) on the Quotation Day for the relevant Interest Period, the Facility Agent receives notifications from a Lender or Lenders (whose participations in a Loan exceed fifty-one per cent. (51.0%) of that Loan) that the cost to it or them of funding its or their participations in that Loan from the wholesale market for Dollars would be in excess of LIBOR, or if applicable, for Euros would be in excess of EURIBOR, then Clause 16.4 (*Cost of funds*) shall apply to that Loan for the relevant Interest Period.

16.4 **Cost of funds**

(a) If this Clause 16.4 applies, the rate of interest on each Lender's share of the relevant Loan for the relevant Interest Period shall be the percentage rate *per annum* which is the sum of:

(i) the applicable Margin; and

(ii) the rate notified to the Facility Agent by that Lender as soon as practicable and in any event by the close of business on the date falling two (2) Business Days after the relevant Quotation Day (or, if earlier, on the date falling two (2) Business Days prior to the date on which interest is due to be paid in respect of that Interest Period), to be that which expresses as a percentage rate per annum the cost to that Lender of funding its participation in that Loan from whatever source it may reasonably select.

(b) If this Clause 16.4 applies and the Facility Agent or the Company so requires, the Facility Agent and the Company shall enter into negotiations (for a period of not more than sixty (60) calendar days) with a view to agreeing a substitute basis for determining the rate of interest.

(c) Any alternative basis agreed pursuant to paragraph (b) above shall, with the prior consent of all the Lenders and the Company, be binding on all Parties.

(d) If this Clause 16.4 applies pursuant to Clause 16.3 (*Market disruption*) and:

(i) a Lender's Funding Rate is less than LIBOR in relation to any Loan in Dollars or, EURIBOR, in relation to any Loan in Euro; or

(ii) a Lender does not supply a quotation by the time specified in paragraph (a)(ii) above,

the cost to that Lender of funding its participation in that Loan for that Interest Period shall be deemed, for the purposes of paragraph (a) above, to be LIBOR in relation to any Loan in Dollars or, EURIBOR, in relation to a Loan in Euro.

16.5 **Notification to Company**

If Clause 16.4 (*Cost of funds*) applies the Facility Agent shall, as soon as is practicable, notify the Company.

16.6 **Break Costs**

(a) The Company shall, within three (3) Business Days of demand by a Finance Party, pay to that Finance Party its Break Costs attributable to all or any part of a Loan or Unpaid Sum being paid by that Borrower on a day other than the last day of an Interest Period for that Loan or Unpaid Sum.

(b) Each Lender shall, as soon as reasonably practicable after a demand by the Facility Agent, provide a certificate confirming the amount of its Break Costs for any Interest Period in which they accrue.

17. **FEES**

17.1 **Commitment Fee**

(a) The Company must pay (or procure that an Obligor pays) to the Facility Agent (for the account of each Lender) a fee in the relevant currency computed at:

(i) the rate of zero-point-fifty-five per cent. (0.55%) on that Lender's Available Commitment under the Additional L/C Facility for the Availability Period applicable to the Additional L/C Facility; and

(ii) the rate of zero-point-fifty-five per cent. (0.55%) on that Lender's Available Commitment under the Revolving Facility for the Availability Period applicable to the Revolving Facility.

(b) The accrued commitment fee is payable on the last day of each successive period of three (3) Months which ends during the relevant Availability Period, on the last day of the relevant

Availability Period and, if cancelled in full, on the cancelled amount of the relevant Lender's Commitment at the time the cancellation is effective.

(c) For the avoidance of doubt, no commitment fee is payable:

(i) to the Facility Agent (for the account of a Lender) on any Available Commitment of that Lender for any day on which that Lender is a Defaulting Lender; or

(ii) in respect of a Facility, prior to the date on which Financial Close occurs for that Facility, or if Financial Close does not occur in respect of that Facility.

17.2 **Upfront fee**

The Company shall pay (or procure that an Obligor pays) to the relevant Finance Parties for their own account fees in the amount and manner agreed under the relevant Fee Letter. No fee under this Clause 17.2 shall be due and payable in respect of a Facility until the date on which Financial Close occurs in respect of that Facility.

17.3 **Facility Agent fees**

The Company shall pay (or procure that an Obligor pays) to the Facility Agent (for its own account) the fees in the amount and at the time agreed in the Fee Letter entered or to be entered into between the Company and the Facility Agent. No fee under this Clause 17.3 shall be due and payable in respect of a Facility until the first date on which Financial Close occurs in respect of a Facility.

17.4 **Fees payable in respect of Letters of Credit**

(a) The Company or each Borrower shall pay to an Issuing Bank under the Revolving Facility a fronting fee at the rate agreed between the Company and that Issuing Bank on the outstanding amount which is counter-indemnified by the other Lenders of each Letter of Credit requested by it for the period from the issue of that Letter of Credit until its Expiry Date.

(b) The Company or each Borrower shall pay to the Facility Agent (for the account of each Lender under the relevant Facility) a Letter of Credit fee in the Base Currency (computed at the rate equal to (i) the Margin applicable to a Revolving Facility Loan for a Letter of Credit issued under the Revolving Facility or (ii) one hundred and fifteen (115) basis points for a Letter of Credit issued under the Additional L/C Facility) on the outstanding amount of each Letter of Credit requested by it for the period from the issue of that Letter of Credit until its Expiry Date. Subject to paragraph (c) of Clause 7.6 (*Regulation and consequences of cash cover provided by Borrower*), this fee shall be distributed according to each Lender's L/C Proportion of that Letter of Credit.

(c) The accrued fronting fee and Letter of Credit fee on a Letter of Credit shall be payable quarterly in arrears on each Quarter Date starting on the date of issue of that Letter of Credit and ending on the Expiry Date for that Letter of Credit. If the outstanding amount of a Letter of Credit is reduced, any fronting fee and Letter of Credit fee accrued in respect of the amount of that reduction shall be payable on the day that that reduction becomes effective.

(d) If a Borrower provides cash cover in respect of any Letter of Credit:

(i) the fronting fee payable to the Issuing Bank and (subject to paragraph (c) of Clause 7.6 (*Regulation and consequences of cash cover provided by Borrower*)), the Letter of Credit fee payable for the account of each Lender shall continue to be payable until the expiry of the Letter of Credit; and

(ii) each Borrower shall be entitled to withdraw interest accrued on the cash cover to pay the fees described in paragraph (i) above.

17.5 **Interest, commission and fees on Ancillary Facilities**

The rate and time of payment of interest, commission, fees and any other remuneration in respect of each Ancillary Facility shall be determined by agreement between the relevant Ancillary Lender and the Borrower of that Ancillary Facility based upon normal market rates and terms.

18. **TAX**

18.1 **Tax Gross–up**

(a) The Obligors shall make all payments to be made by them under the Finance Documents without any Tax Deduction, unless a Tax Deduction is required by law.

(b) Each Obligor shall promptly upon becoming aware that it must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Facility Agent accordingly. Similarly, a Lender or Issuing Bank shall notify the Facility Agent on becoming so aware in respect of a payment payable to that Lender or Issuing Bank. If the Facility Agent receives such notification from a Lender or Issuing Bank it shall notify the Company.

(c) If a Tax Deduction is required by law to be made by an Obligor, the amount of the payment due from that Obligor shall be increased to an amount which (after making any Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.

(d) A payment by or in respect of a Singapore Borrower shall not be increased under paragraph (c) above by reason of a Tax Deduction on account of Tax imposed by Singapore if on the date on which the payment falls due:

(i) the payment could have been made to the relevant Lender without a Tax Deduction if the Lender had been a Singapore Qualifying Lender, but on that date that Lender is not or has ceased to be a Singapore Qualifying Lender other than as a result of any change after the date it became a Lender under this Agreement in (or in the interpretation, administration, or application of) any law or Treaty or any published practice or published concession of any relevant taxing authority; or

(ii) the relevant Lender is a Singapore Treaty Lender and the Obligor making the payment is able to demonstrate that the payment could have been made to the Lender without a Tax Deduction had that Lender complied with its obligations under paragraph (j) below.

(e) A payment by or in respect of a US Borrower shall not be increased under paragraph (c) above by reason of a Tax Deduction on account of Tax imposed by the US if on the date on which the payment falls due, the payment could have been made to the relevant Lender without a

Tax Deduction if it were a US Qualifying Lender, but on that date the Lender is not or has ceased to be a US Qualifying Lender other than as a result of any change after the date such Lender first became a Lender under this Agreement in (or in the interpretation, administration, or application of) any law or double taxation agreement.

(f) A payment by or in respect of a German Borrower shall not be increased under paragraph (c) above by reason of a Tax Deduction on account of Tax imposed by Germany if on the date on which the payment falls due:

(i) the payment could have been made to the relevant Lender without a Tax Deduction if the Lender had been a German Qualifying Lender, but on that date that Lender is not or has ceased to be a German Qualifying Lender other than as a result of any change after the date it became a Lender under this Agreement in (or in the interpretation, administration, or application of) any law or Treaty or any published practice or published concession of any relevant taxing authority; or

(ii) the relevant Lender is a German Treaty Lender, the Obligor making the payment is able to demonstrate that the payment could have been made to the Lender without the Tax Deduction had that Lender complied with its obligations under paragraph (j) below.

(g) A payment by or in respect of an Other Borrower shall not be increased under paragraph (c) above by reason of a Tax Deduction on account of Tax imposed by the jurisdiction in which the Borrower is resident for tax purposes if, on the date the payment falls due:

(i) the payment could have been made to the relevant Lender without a Tax Deduction if the Lender had been an Other Qualifying Lender, but on that date the Lender is not or has ceased to be an Other Qualifying Lender other than as a result of any change after the date such Lender first became a Lender under this Agreement in (or in the interpretation, administration, or application of) any law or double taxation agreement; or

(ii) the relevant Lender is an Other Treaty Lender and the Obligor making the payment is able to demonstrate that the payment could have been made to the Lender without the Tax Deduction had that Lender complied with its obligation under paragraph (j) below.

(h) If an Obligor is required to make a Tax Deduction, that Obligor shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by law.

(i) Within thirty (30) calendar days of an Obligor making either a Tax Deduction or a payment required in connection with a Tax Deduction, such Obligor shall deliver to the Facility Agent for the relevant Lender evidence reasonably satisfactory to such Lender that the Tax Deduction has been made or (as applicable) the appropriate payment has been paid to the relevant taxing authority.

(j) A Lender and each Obligor which makes a payment to which that Lender is entitled shall co-operate in completing any procedural formalities necessary for that Obligor to obtain any authorisations necessary to make that payment without a Tax Deduction.

18.2 **Tax Indemnity**

(a) If any Finance Party suffers any loss, liability or cost for or on account of any Tax on or in relation to any sum received or receivable under any Finance Document or if any liability in respect of any such sum is asserted, imposed, levied or assessed against any such person, the Company shall upon demand of the Facility Agent promptly reimburse such person for or, as applicable, indemnify such person against, such payment, loss, liability or cost.

(b) Paragraph (a) above shall not apply:

(i) with respect to any Excluded Tax assessed on the Finance Party; or

(ii) to the extent the loss, liability or cost:

(A) is compensated under Clause 18.1 (*Tax Gross-up*), Clause 18.5 (*Stamp Taxes*) or Clause 18.6 (*VAT*) (or would have been so compensated but for the exclusions therein);

(B) relates to a FATCA Deduction required to be made by a Party; or

(C) is in respect of or relates to any Bank Levy (or any payment attributable to, or liability arising as a consequence of, a Bank Levy).

(c) A Finance Party making, or intending to make a claim under paragraph (a) above, shall promptly notify the Facility Agent of the event which will give, or has given, rise to the claim following which the Facility Agent shall notify the Company.

(d) A Finance Party shall, on receiving a payment from an Obligor under this Clause 18.2, notify the Facility Agent.

18.3 **Tax Credit**

If an Obligor makes a Tax Payment and the relevant Finance Party determines that:

(a) a Tax Credit is attributable to an increased payment of which that Tax Payment forms part, to that Tax Payment or to a Tax Deduction in consequence of which that Tax Payment was required; and

(b) that Finance Party (or another member of a fiscal group of which that Finance Party forms part) has obtained and utilised that Tax Credit,

that Finance Party shall pay an amount to that Obligor which that Finance Party determines will leave it (taking into account a Tax Credit of the fiscal group of which that Finance Party forms part) (after that payment) in the same after-Tax position as it would have been in had the Tax Payment not been required to be made by that Obligor.

18.4 **Lender Status Confirmation**

(a) Each Lender which is not an Original Lender shall indicate, in the documentation which it executes on becoming a Party as a Lender, and for the benefit of the Facility Agent and without liability to any Obligor, which of the following categories it falls in:

(i) in respect of a Lender to a Singapore Borrower:

(A) a Singapore Qualifying Lender (other than a Singapore Treaty Lender);

(B) a Singapore Treaty Lender; or

(C) not a Singapore Qualifying Lender;

(ii) in respect of a Lender to a US Borrower:

(A) a US Qualifying Lender; or

(B) not a US Qualifying Lender;

(iii) in respect of a Lender to a German Borrower:

(A) a German Qualifying Lender (other than a German Treaty Lender);

(B) a German Treaty Lender; or

(C) not a German Qualifying Lender; or

(iv) in respect of a Lender to an Other Borrower:

(A) an Other Qualifying Lender (other than an Other Treaty Lender);

(B) an Other Treaty Lender; or

(C) not an Other Qualifying Lender.

(b) If such a Lender fails to indicate its status in accordance with this Clause 18.4 then that Lender shall be treated for the purposes of this Agreement (including by each Obligor) as if it is not a Qualifying Lender until such time as it notifies the Facility Agent which category applies (and the Facility Agent, upon receipt of such notification, shall inform the Company). For the avoidance of doubt, the documentation which a Lender executes on becoming a Party as a Lender shall not be invalidated by any failure of a Lender to comply with this Clause 18.4.

18.5 **Stamp Taxes**

The Company shall pay and, within five (5) Business Days of written demand, indemnify each Finance Party against any cost, loss or liability that Finance Party incurs in relation to all stamp duty, registration and other similar Taxes payable in respect of any Finance Document other than as a result of a Finance Party assigning or transferring any of its rights or obligations under any Finance Document.

18.6 **VAT**

(a) All amounts set out, or expressed to be payable under a Finance Document by any Party to a Finance Party which (in whole or part) constitute the consideration for a supply or supplies for VAT purposes shall be deemed to be exclusive of any VAT which is chargeable on such supply or supplies, and accordingly, subject to paragraph (b) below, if VAT is or becomes chargeable on any supply made by any Finance Party to any Party under a Finance Document

and such Finance Party is required to account to the relevant tax authority for VAT, that Party shall pay to the Finance Party (in addition to and at the same time as paying the consideration for such supply) an amount equal to the amount of the VAT (and such Finance Party shall promptly provide an appropriate VAT invoice to such Party).

(b) If VAT is or becomes chargeable on any supply made by any Finance Party (the "**Supplier**") to any other Finance Party (the "**Recipient**") under a Finance Document, and any Party other than the Recipient (the "**Relevant Party**") is required by the terms of any Finance Document to pay an amount equal to the consideration for such supply to the Supplier (rather than being required to reimburse the Recipient in respect of that consideration):

(i) (where the Supplier is the person required to account to the relevant tax authority for the VAT) the Relevant Party shall also pay to the Supplier (in addition to and at the same time as paying such amount) an amount equal to the amount of such VAT. The Recipient will (where this paragraph (i) applies) promptly pay to the Relevant Party an amount equal to any credit or repayment the Recipient receives from the relevant tax authority which the Recipient reasonably determines relates to the VAT chargeable on that supply; and

(ii) (where the Recipient is the person required to account to the relevant tax authority for the VAT) the Relevant Party must promptly, following demand from the Recipient, pay to the Recipient an amount equal to the VAT chargeable on that supply but only to the extent that the Recipient reasonably determines that it or any member of the group of which it is a member for VAT purposes is not entitled to credit or repayment from the relevant tax authority in respect of that VAT.

(c) Where a Finance Document requires any Party to reimburse or indemnify a Finance Party for any cost or expense, that Party shall reimburse or indemnify (as the case may be) such Finance Party for the full amount of such cost or expense including such part thereof as represents VAT, save to the extent that such Finance Party reasonably determines that it or any other member of any group of which it is a member for VAT purposes is entitled to credit or repayment in respect of such VAT from the relevant tax authority.

(d) Any reference in this Clause 18.6 (*VAT*) to any Party shall, at any time when such Party is treated as a member of a group for VAT purposes, include (where appropriate and unless the context otherwise requires) a reference to the person who is treated at that time as making the supply, or (as appropriate) receiving the supply, under the grouping rules (provided for in Article 11 of Council Directive 2006/112/EC (or as implemented by the relevant member state of the EU) or any other similar provision in any jurisdiction which is not a member state of the EU) so that a reference to a Party shall be construed as a reference to that Party or the relevant group or unity (or fiscal unity) of which that Party is a member for VAT purposes at the relevant time or the relevant representative member (or head) of that group or unity (or fiscal unity) at the relevant time (as the case may be).

(e) In relation to any supply made by a Finance Party to any Party under a Finance Document, if reasonably requested by such Finance Party, that Party must promptly provide such Finance Party with details of that Party's VAT registration and such other information as is reasonably requested in connection with such Finance Party's VAT reporting requirements in relation to such supply.

(f) Notwithstanding paragraphs (a) through (e) above, no Borrower is required to pay VAT if such VAT is solely due because a Finance Party has voluntarily opted to subject a payment to VAT, unless the Borrower is able to claim such VAT as input VAT. The Borrower shall cooperate and provide any reasonable information in respect of such claim for refund as input VAT.

18.7 **FATCA Information**

(a) Subject to paragraph (c) below, each Party shall, within ten (10) Business Days of a reasonable request by another Party:

(i) confirm to that other Party whether it is:

(A) a FATCA Exempt Party; or

(B) not a FATCA Exempt Party;

(ii) supply to that other Party such forms, documentation and other information relating to its status under FATCA as that other Party reasonably requests for the purposes of that other Party's compliance with FATCA; and

(iii) supply to that other Party such forms, documentation and other information relating to its status as that other Party reasonably requests for the purposes of that other Party's compliance with any other law, regulation, or exchange of information regime.

(b) If a Party confirms to another Party pursuant to paragraph (a)(i) above that it is a FATCA Exempt Party and it subsequently becomes aware that it is not or has ceased to be a FATCA Exempt Party, that Party shall notify that other Party reasonably promptly.

(c) Paragraph (a) above shall not oblige any Finance Party to do anything, and paragraph (a)(iii) above shall not oblige any other Party to do anything, which would or might in its reasonable opinion constitute a breach of:

(i) any law or regulation;

(ii) any fiduciary duty; or

(iii) any duty of confidentiality.

(d) If a Party fails to confirm whether or not it is a FATCA Exempt Party or to supply forms, documentation or other information requested in accordance with paragraph (a)(i) or (ii) above (including, for the avoidance of doubt, where paragraph (c) above applies), then such Party shall be treated for the purposes of the Finance Documents (and payments under them) as if it is not a FATCA Exempt Party until such time as the Party in question provides the requested confirmation, forms, documentation or other information.

(e) If the Company is a US Tax Obligor or the Facility Agent reasonably believes that its obligations under FATCA or any other applicable law or regulation require the supply to the Facility Agent of any of the items referred to in (A) or (B) of this paragraph (e), each Lender shall, within ten (10) Business Days of:

(i) where the Company is a US Tax Obligor and the relevant Lender is an Original Lender, the Signing Date;

(ii) where the Company is a US Tax Obligor on a Transfer Date and the relevant Lender is a New Lender, the relevant Transfer Date; or

(iii) where the Company is not a US Tax Obligor, the date of a request from the Facility Agent,

supply to the Facility Agent:

(A) a withholding certificate on Form W-8, Form W-9 or any other relevant form; or

(B) any withholding statement or other document, authorisation or waiver as the Facility Agent may require to certify or establish the status of such Lender under FATCA or that other law or regulation.

(f) The Facility Agent shall provide any withholding certificate, withholding statement, document, authorisation or waiver it receives from a Lender pursuant to paragraph (e) above to the Company.

(g) If any withholding certificate, withholding statement, document, authorisation or waiver provided to the Facility Agent by a Lender pursuant to paragraph (e) above is or becomes materially inaccurate or incomplete, that Lender shall promptly update it and provide such updated withholding certificate, withholding statement, document, authorisation or waiver to the Facility Agent unless it is unlawful for the Lender to do so (in which case the Lender shall promptly notify the Facility Agent). The Facility Agent shall provide any such updated withholding certificate, withholding statement, document, authorisation or waiver to the Company.

(h) The Facility Agent may rely on any withholding certificate, withholding statement, document, authorisation or waiver it receives from a Lender pursuant to paragraph (e) or (g) above without further verification. The Facility Agent shall not be liable for any action taken by it under or in connection with paragraph (e), (f) or (g) above.

18.8 **FATCA Deduction**

(a) Each Party may make any FATCA Deduction it is required to make by FATCA, and any payment required in connection with that FATCA Deduction, and no Party shall be required to increase any payment in respect of which it makes such a FATCA Deduction or otherwise compensate the recipient of the payment for that FATCA Deduction.

(b) Each Party shall promptly, upon becoming aware that it must make a FATCA Deduction (or that there is any change in the rate or the basis of such FATCA Deduction), notify the Party to whom it is making the payment and, in addition, shall notify the Company and the Facility Agent and the Facility Agent shall notify the other Finance Parties.

19. INCREASED COSTS

19.1 Increased costs

(a) Subject to Clause 19.3 (*Exceptions*), the Company shall, within five (5) Business Days of a demand by the Facility Agent, pay for the account of a Finance Party the amount of any Increased Costs incurred by that Finance Party or any of its Affiliates as a result of:

(i) the introduction of or any change in (or in the interpretation, administration or application of) any law or legally binding regulation; or

(ii) compliance with any law or legally binding regulation made after the Signing Date.

(b) In this Agreement:

(i) "**Increased Costs**" means:

(A) a reduction in the rate of return from a Facility or on a Finance Party's (or its Affiliate's) overall capital;

(B) an additional or increased cost; or

(C) a reduction of any amount due and payable under any Finance Document,

which is incurred or suffered by a Finance Party or any of its Affiliates to the extent that it is attributable to that Finance Party having entered into its Commitment or an Ancillary Commitment or funding or performing its obligations under any Finance Document or Letter of Credit.

(ii) "**CRD IV**" means:

(A) Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No. 648/2012; and

(B) Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC,

and any law, rule or guidance by which CRD IV is implemented.

(iii) "**CRD IV Costs**" means any Increased Cost which is attributable to or results from the implementation or application of, or compliance with, the changes implemented under CRD IV.

19.2 Increased Cost claims

(a) A Finance Party intending to make a claim pursuant to Clause 19.1 (*Increased costs*) shall notify the Facility Agent of the event giving rise to the claim, following which the Facility Agent shall promptly notify the Company.

(b) Each Finance Party shall, as soon as practicable after a demand by the Company (delivered via the Facility Agent), provide a certificate confirming:

(i) the amount of its Increased Costs; and

(ii) the calculation of such amount.

19.3 **Exceptions**

Clause 19.1 (*Increased costs*) does not apply to the extent:

(a) any Increased Cost is:

(i) compensated under Clause 18.1 (*Tax Gross-up*), Clause 18.2 (*Tax Indemnity*), Clause 18.5 (*Stamp Taxes*) or Clause 18.6 (*VAT*) (or would have been so compensated but for the exclusions therein);

(ii) attributable to a FATCA Deduction required to be made by a Party;

(iii) attributable to an Excluded Tax;

(iv) attributable to any Bank Levy (or any payment attributable to, or liability arising as a consequence of, a Bank Levy);

(v) attributable to the wilful breach by the relevant Finance Party or its Affiliates of any law or regulation;

(vi) attributable to the implementation or application of or compliance with the "International Convergence of Capital Measurement and Capital Standards, a Revised Framework" published by the Basel Committee on Banking Supervision ("**BCBS**") in June 2004 in the form existing on the Signing Date (but excluding any amendment arising out of Basel III or CRD IV) ("**Basel II**") or any other law or regulation which implements Basel II (whether such implementation, application or compliance is by a government, regulator, Finance Party or any of its Affiliates);

(vii) attributable to the implementation or application of or compliance with the agreements on capital requirements, a leverage ratio and liquidity standards contained in "Basel III: A global regulatory framework for more resilient banks and banking systems", "Basel III: "International framework for liquidity risk measurement, standards and monitoring" and "Guidance for national authorities operating the countercyclical capital buffer" published by the Basel Committee on Banking Supervision on 16 December 2010, each as amended, supplemented and restated ("**Basel III**") or any other law or regulation which implements Basel III (whether such implementation, application or compliance is by a government, regulator, Finance Party or any of its affiliates) ("**Basel III Costs**") or CRD IV Costs unless a Finance Party delivers to the Company a statement certifying that, to the best of its knowledge, it is that Finance Party's general policy to seek to recover such Basel III Costs or CRD IV Costs, as applicable, in relation to similar facilities with other similar borrowers. If a Finance Party has delivered such duly signed statement, it will not be required to provide any further evidence or substantiate its policy concerning Basel III Costs and CRD IV Costs; or

(viii) attributable to the Dodd-Frank Wall Street Reform and Consumer Protection Act or any request, rule guideline or directive thereunder or issued in connection therewith unless a Finance Party delivers to the Company a statement certifying that, to the best of its knowledge, it is that Finance Party's general policy to seek to recover such costs in relation to similar facilities. If a Finance Party has delivered such duly signed statement, it will not be required to provide any further evidence or substantiate its policy concerning the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith; or

(b) the relevant Finance Party does not notify the Facility Agent of its intention to make a claim within ninety (90) days after the date of which that Finance Party becomes aware of the relevant Increased Cost.

20. OTHER INDEMNITIES

20.1 Currency indemnity

(a) If any sum due from an Obligor under the Finance Documents (a "**Sum**"), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the "**First Currency**") in which that Sum is payable into another currency (the "**Second Currency**") for the purpose of:

(i) making or filing a claim or proof against that Obligor; or

(ii) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings against that Obligor,

that Obligor shall, as an independent obligation, within five (5) Business Days of written demand, indemnify each Finance Party to whom that Sum is due against any cost, loss or liability arising out of or as a result of the currency conversion including any discrepancy between (A) the rate of exchange used to convert that Sum from the First Currency into the Second Currency and (B) the rate or rates of exchange available to that person at the time of its receipt of that Sum.

(b) Each Obligor waives any right it may have in any jurisdiction to pay any amount under the Finance Documents in a currency or currency unit other than that in which it is expressed to be payable.

20.2 Other indemnities

The Company shall (or shall procure that an Obligor will), within five (5) Business Days of written demand, indemnify the Arrangers, and each other Finance Party against any cost, loss or liability incurred by it as a result of:

(a) the occurrence of any Event of Default;

(b) a failure by an Obligor to pay any amount due under a Finance Document on its due date;

(c) funding, or making arrangements to fund, its participation in a Loan requested by the Company or a Borrower in a Utilisation Request but not made by reason of the operation of

any one or more of the provisions of this Agreement (other than by reason of default or negligence by that Finance Party alone); or

(d) issuing or making arrangements to issue a Letter of Credit requested by the Company or a Borrower in a Utilisation Request but not issued by reason of the operation of any one or more of the provisions of this Agreement (other than by reason of default or negligence by that Finance Party alone); or

(e) a Utilisation (or part of a Utilisation) not being prepaid in accordance with a notice of prepayment given by a Borrower or the Company,

including any loss (other than in the case of paragraph (c) above, loss of Margin) or expense on account of funds borrowed, contracted for or utilised to fund any amount payable under any Finance Document or Utilisation.

20.3 **Indemnity to the Facility Agent**

Subject to Clause 23 (*Costs and Expenses*), the Company shall promptly, and in any event within five (5) Business Days, indemnify the Facility Agent against:

(a) any reasonable and documented cost, loss or liability (including legal fees but excluding any allocations of overhead or internal costs) incurred by the Facility Agent as a direct result of:

(i) instructing lawyers, accountants, tax advisers, surveyors, a financial adviser or other professional advisers or experts whilst investigating any event which it reasonably believes is a Default or in responding to a waiver request; or

(ii) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised; and

(b) any cost, loss or liability incurred in connection with claims of third parties (other than Finance Parties) by the Facility Agent (otherwise than by reason of the Facility Agent's gross negligence or wilful misconduct).

21. MITIGATION BY THE LENDERS

21.1 **Mitigation**

(a) Each Lender shall, in consultation with the Company, take all reasonable steps to mitigate any circumstances which arise and which would result in any Facility ceasing to be available or any amount becoming payable under or pursuant to, or cancelled pursuant to, any of Clause 11.1 (*Illegality*), (or, in respect of the Issuing Bank, Clause 11.2 (*Illegality in relation to Issuing Bank*), Clause 18.1 (*Tax Gross-up*), Clause 18.2 (*Tax Indemnity*) or Clause 19 (*Increased Costs*) including by transferring its rights and obligations under the Finance Documents to another Affiliate or Facility Office or and/or taking reasonable steps to secure the benefit of any Tax Credit.

(b) Paragraph (a) above does not in any way limit the obligations of any Obligor under the Finance Documents.

21.2 **Limitation of liability**

(a) The Company shall promptly indemnify each Lender for all reasonable and documented costs and expenses (including legal fees but excluding any allocations of overhead or internal costs) incurred by that Lender as a result of steps taken by it under Clause 21.1 (*Mitigation*).

(b) A Lender is not obliged to take any steps under Clause 21.1 (*Mitigation*) if, in the opinion of that Lender (acting reasonably), to do so might be prejudicial to it.

22. **GUARANTEE AND INDEMNITY**

22.1 **Guarantee and Indemnity**

Each Guarantor irrevocably and unconditionally jointly and severally:

(a) guarantees to each Finance Party punctual performance by each other Obligor of all that Obligor's obligations under the Finance Documents (including, without limitation, all amounts which, but for any US Debtor Relief Law, would become due and payable and all interest accruing after the commencement of any proceeding under a US Debtor Relief Law at the rate provided for in the relevant Finance Document, whether or not allowed in any such proceeding);

(b) undertakes with each Finance Party that whenever another Obligor does not pay any amount when due under or in connection with any Finance Document, that Guarantor shall immediately on demand pay that amount as if it was the principal obligor; and

(c) agrees with each Finance Party that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify that Finance Party immediately on demand against any cost, loss or liability it incurs as a result of an Obligor not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by it under any Finance Document on the date when it would have been due. The amount payable by a Guarantor under this indemnity will not exceed the amount it would have had to pay under this Clause 22 if the amount claimed had been recoverable on the basis of a guarantee.

Notwithstanding anything to the contrary herein, upon any Automatic Acceleration Event any presentment, demand, protest or notice of any kind required by the foregoing clauses are expressly waived

22.2 **Continuing guarantee**

This guarantee is a continuing guarantee and will extend to the ultimate balance of sums payable by any Obligor under the Finance Documents, regardless of any intermediate payment or discharge in whole or in part.

22.3 **Reinstatement**

If any discharge, release or arrangement (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) is made by a Finance Party in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration, judicial management or otherwise, without limitation, then the liability of

each Guarantor under this Clause 22 will continue or be reinstated as if the discharge, release or arrangement had not occurred.

22.4 **Waiver of defences**

The obligations of each Guarantor under this Clause 22 will not be affected by an act, omission, matter or thing which, but for this Clause 22, would reduce, release or prejudice any of its obligations under this Clause 22 (without limitation and whether or not known to it or any Finance Party) including:

(a) any time, waiver or consent granted to, or composition with, any Obligor or other person;

(b) the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;

(c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;

(d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;

(e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of a Finance Document or any other document or security including without limitation any change in the purpose of, any extension of or increase in any facility or the addition of any new facility under any Finance Document or other document or security;

(f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or

(g) any insolvency or similar proceedings.

22.5 **Guarantor intent**

Without prejudice to the generality of Clause 22.4 (*Waiver of defences*), each Guarantor expressly confirms that it intends that this guarantee shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following: business acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

22.6 **Immediate recourse**

Each Guarantor waives any right it may have of first requiring any Finance Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from that Guarantor under this Clause 22. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

22.7 **Appropriations**

Until all amounts which may be or become payable by the Obligors under or in connection with the Finance Documents have been irrevocably paid in full, each Finance Party (or any trustee or agent on its behalf) may:

(a) refrain from applying or enforcing any other moneys, security or rights held or received by that Finance Party (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Guarantor shall be entitled to the benefit of the same; and

(b) hold in an interest-bearing suspense account any moneys received from any Guarantor or on account of any Guarantor's liability under this Clause 22.

22.8 **Deferral of Guarantors' rights**

Until all amounts which may be or become payable by the Obligors under or in connection with the Finance Documents have been irrevocably paid in full and unless the Facility Agent otherwise directs, no Guarantor will exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under this Clause 22:

(a) to be indemnified by an Obligor;

(b) to claim any contribution from any other guarantor of any Obligor's obligations under the Finance Documents;

(c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Finance Parties under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by any Finance Party;

(d) to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which any Guarantor has given a guarantee, undertaking or indemnity under Clause 22.1 (*Guarantee and indemnity*);

(e) to exercise any right of set-off against any Obligor; and/or

(f) to claim or prove as a creditor of any Obligor in competition with any Finance Party.

If a Guarantor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Finance Parties by the Obligors under or in connection with the Finance Documents to be repaid in full on trust for the Finance Parties and shall promptly pay or transfer the same to the Facility Agent or as the Facility Agent may direct for application in accordance with Clause 35 (*Payment mechanics*).

22.9 **Release of Guarantors' right of contribution**

If any Guarantor (a "**Retiring Guarantor**") ceases to be a Guarantor in accordance with the terms of the Finance Documents for the purpose of any sale or other disposal of that Retiring Guarantor then on the date such Retiring Guarantor ceases to be a Guarantor:

(a) that Retiring Guarantor is released by each other Guarantor from any liability (whether past, present or future and whether actual or contingent) to make a contribution to any other Guarantor arising by reason of the performance by any other Guarantor of its obligations under the Finance Documents; and

(b) each other Guarantor waives any rights it may have by reason of the performance of its obligations under the Finance Documents to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Finance Parties under any Finance Document or of any other security taken pursuant to, or in connection with, any Finance Document where such rights or security are granted by or in relation to the assets of the Retiring Guarantor.

22.10 **Additional security**

This guarantee is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by any Finance Party.

22.11 **Guarantee limitations**

(a) General

With respect to any Additional Guarantor, this guarantee is subject to any limitations set out in the Accession Deed applicable to such Additional Guarantor.

(b) Germany

Any guarantee owing by a Guarantor incorporated and existing as a German limited liability company (*Gesellschaft mit beschränkter Haftung*) ("**German GmbH Guarantor**"), shall be subject to the following limitations:

(i) To the extent that a guarantee secures amounts which are owed by direct or indirect shareholder(s) of a German GmbH Guarantor ("**Up-stream Guarantee**") or its affiliated companies (*verbundenes Unternehmen*) within the meaning of section 15 of the German Stock Corporation Act (*Aktiengesetz*) (other than directly or indirectly wholly-owned subsidiaries of that German GmbH Guarantor) ("**Cross-stream Guarantee**") (save for any guarantees in respect of funds to the extent they are on-lent to, or letters of credit issued for the benefit of, that German GmbH Guarantor or its directly or indirectly wholly-owned subsidiaries, and such amount on-lent or letters of credit are still outstanding), this guarantee shall not be enforced at the time of the respective Payment Demand (as defined below) if and to the extent the German GmbH Guarantor demonstrates to the satisfaction of the Facility Agent (acting reasonably) that the enforcement would have the effect of:

(A) causing the relevant German GmbH Guarantor's net assets (the "**Net Assets**") to be reduced below zero; or (if its Net Assets are already below zero) causing such amount to be further reduced,

(B) and thereby affecting its assets required for the maintenance of its stated share capital (*Stammkapital*) pursuant to sections 30, 31 German Limited Liability Company Act (*Gesetz betreffend die Gesellschaften mit beschränkter Haftung*, "**GmbHG**") (as applicable at the time of enforcement).

(ii) The value of the Net Assets shall be determined in accordance with German GAAP consistently applied by the relevant German GmbH Guarantor in preparing its unconsolidated balance sheets (*Jahresabschluss* according to Section 42 GmbHG, Sections 242, 264 German Commercial Code (*Handelsgesetzbuch*)) in the previous years, **provided that** for the purposes of the calculation of the Net Assets, the following balance sheet items shall be adjusted as follows:

(A) the amount of any increase of the stated share capital (*Erhöhung des Stammkapitals*) after the Signing Date that has been effected without the prior written consent of the Facility Agent, shall be deducted from the stated share capital;

(B) loans and other contractual liabilities incurred by the relevant German GmbH Guarantor in wilful or negligent violation of the provisions of this Agreement, shall be disregarded;

(C) the costs of the Auditor's Determination (as defined below), shall be taken into account either as a reduction of assets or as an increase of liabilities;

(D) the amounts which pursuant to Section 268 paragraph 8 of the German Commercial Code (*Handelsgesetzbuch*) must not be distributed to the shareholders of the German GmbH Guarantor shall be deducted from the Net Assets.

(iii) The limitations set out in paragraph (b)(i) above only apply if within twenty (20) Business Days following receipt of a notice from the Facility Agent stating that the Facility Agent demands payment under the guarantee against the relevant German GmbH Guarantor (the "**Payment Demand**"), the managing director(s) of such German GmbH Guarantor has (have) confirmed in writing to the Facility Agent:

(A) to what extent the guarantee is an Up-stream Guarantee or a Cross-stream Guarantee as described in paragraph (b)(i) above; and

(B) which amount of such Up-stream Guarantee and/or Cross-stream Guarantee cannot be enforced as the respective German GmbH Guarantor's Net Assets are below zero or such enforcement would cause such German GmbH Guarantor's Net Assets to be reduced below zero, and such confirmation is supported by an up-to-date balance sheet of such German GmbH Guarantor together with a detailed calculation of the amount of such German GmbH Guarantor's Net Assets taking into account the adjustments and obligations

set forth in paragraph (b)(ii) above (the "**Management Determination**"). The Facility Agent shall then be entitled to enforce the guarantee in an amount which would, in accordance with the Management Determination, not cause the German GmbH Guarantor's Net Assets to be reduced below zero.

(iv) Following the Facility Agent's receipt of the Management Determination, the relevant German GmbH Guarantor shall deliver to the Facility Agent within thirty (30) Business Days of a written request from the Facility Agent an up-to-date balance sheet of the German GmbH Guarantor, drawn-up by an auditor of international standard and reputation appointed by the relevant German GmbH Guarantor together with a detailed calculation of the amount of the Net Assets of the relevant company taking into account the adjustments and obligations set forth in paragraph (b)(ii) above (the "**Auditor's Determination**"). The Facility Agent shall then be entitled to enforce the guarantee in an amount which would, in accordance with the Auditor's Determination, not cause the German GmbH Guarantor's Net Assets to be reduced below zero.

(v) Each German GmbH Guarantor shall within three (3) calendar months after receipt of the Payment Demand and of a written request from the Facility Agent realise, to the extent legally permitted and commercially reasonable, any assets that are (i) shown in the balance sheet with a book value (*Buchwert*) that is substantially lower than the market value of the assets and (ii) not required for continuing its business, if, as a result of the enforcement of the guarantee, its Net Assets would be reduced below zero. After the expiry of such three (3) calendar months period the German GmbH Guarantor shall, within ten (10) Business Days, notify the Facility Agent of the net amount of the proceeds from the sale and submit a statement setting forth a new calculation of the amount of the Net Assets of the German GmbH Guarantor taking into account such proceeds. Such calculation shall, upon the Facility Agent's request, be confirmed by the auditors referred to in paragraph (iv) above within a period of thirty (30) Business Days following the request.

(vi) The restrictions set forth in paragraph (b)(i) above shall not apply, if and to the extent:

(A) the relevant German GmbH Guarantor has failed to comply with its obligations pursuant to paragraphs (iii) through (v) above;

(B) the relevant German GmbH Guarantor is a party to a profit and loss sharing agreement (*Gewinnabführungsvertrag*) and/or a domination agreement (*Beherrschungsvertrag*) where the relevant German GmbH Guarantor is the dominated entity (*beherrschtes Unternehmen*) and/or the entity being obliged to share its profits with the other party of such profit and loss sharing agreement, unless a restriction or limitation is necessary in order to avoid a violation of the capital maintenance requirement as set out in section 30, paragraph 1 of the GmbHG; or

(C) the relevant German GmbH Guarantor holds, at the time when a payment is made under the guarantee, a fully recoverable indemnity or claim for refund (*vollwertiger Gegenleistungs- oder Rückgewähranspruch*) against the

relevant shareholder covering at least the relevant amount enforced under the guarantee.

(vii) If there will be available any high court rulings holding that the granting of an Up-stream Guarantee and/or Cross-stream Guarantee may, in case of the enforcement of such guarantee, trigger any liability of the German GmbH Guarantor's directors pursuant to Section 64 sentence 3 GmbHG, the Facility Agent shall, upon request of the respective German GmbH Guarantor's directors and on the condition that the debt structure is (to the extent legally possible) further improved, e.g. through a push down of loans to the level of the relevant German GmbH Guarantor, enter into negotiations and consider (acting reasonably) whether to make appropriate adjustments to this provisions to avoid any personal liability of the managing directors pursuant to Section 64 sentence 3 GmbHG, resulting solely from the granting of such guarantee by the managing directors and not from any other personal misconduct of the German GmbH Guarantor's directors.

(viii) This limitation shall apply mutatis mutandis to a Guarantor organised and existing as a partnership organised under any law with a German limited liability company (*Gesellschaft mit beschränkter Haftung*) as unlimited partner, **provided that** in such case and for the purpose of this limitation only any reference to such Guarantor's net assets (*Reinvermögen*) shall be deemed to be a reference to the net assets (*Reinvermögen*), and any reference to an unlawful payment by such German GmbH Guarantor shall be deemed to be a reference of an unlawful payment, of any unlimited partner which is a German limited liability company (*Gesellschaft mit beschränkter Haftung*).

(c) United States

Each Guarantor incorporated, formed or organised under the laws of the United States of America, any State thereof or the District of Columbia (each, a "**US Guarantor**"), and by its acceptance of the guarantee under this Clause 22, the Facility Agent and each other Finance Party, hereby confirms that it is the intention of all such persons that the guarantee under this Clause 22 and the obligations of each US Guarantor under this Clause 22 not constitute a fraudulent transfer or conveyance or unlawful financial assistance for purposes of Title 11 of the United States Code entitled Bankruptcy, as amended, or any successor thereof, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar federal or state law to the extent applicable to the guarantee under this Clause 22 and the obligations of each US Guarantor under this Clause 22. To effectuate the foregoing intention, the Facility Agent, the other Finance Parties and each such US Guarantor hereby irrevocably agree that the obligations of each US Guarantor under this Clause 22 shall be limited to the maximum amount as will, after giving effect to any collections from rights to receive contribution from or payments made by or on behalf of any other Guarantor in respect of the obligations of such other Guarantor under this Clause 22, result in the obligations of such Guarantor under its guarantee not constituting a fraudulent transfer or conveyance. The Company acknowledges that it will receive, directly or indirectly, a portion of the proceeds of the Loans under this Agreement and each US Guarantor acknowledges that it will derive substantial direct and indirect benefits from the transactions contemplated by this Agreement (including the making of the Loans thereunder).

22.12 **Acknowledgement regarding any Supported QFCs**

(a) To the extent that the Finance Documents provide support, through a guarantee or otherwise, for any Hedge Agreement or any other agreement or instrument that is a QFC (such support "**QFC Credit Support**" and each such QFC, a "**Supported QFC**") the Parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the "**US Special Resolution Regimes**") in respect of such Supported QFC and QFC Credit Support.

(b) In the event a Covered Entity that is party to a Supported QFC (each, a "**Covered Party**") becomes subject to a proceeding under a US Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the US Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a US Special Resolution Regime, Default Rights under the Finance Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the US Special Resolution Regime if the Supported QFC and the Finance Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the Parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

(c) As used in this Clause 22.12, the following terms have the following meanings:

"**BHC Act Affiliate**" of a Party means an "affiliate" (as such term is defined under, and interpreted in accordance with, section 2(k) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(k))) of such Party.

"**Covered Entity**" means any of the following:

(i) a "**covered entity**" as that term is defined in, and interpreted in accordance with, section 252.82(b) of Title 12 of the Code of Federal Regulations (12 C.F.R. § 252.82(b));

(ii) a "**covered bank**" as that term is defined in, and interpreted in accordance with section 47.3(b) of Title 12 of the Code of Federal Regulations (12 C.F.R. § 47.3(b)); or

(iii) a "**covered FSI**" as that term is defined in, and interpreted in accordance with, section 382.2(b) of Title 12 of the Code of Federal Regulations (12 C.F.R. § 382.2(b)).

"**Default Right**" has the meaning assigned to that term in, and shall be interpreted in accordance with, sections 252.81, 47.2 or 382.1 (as applicable) of Title 12 of the Code of Federal Regulations (12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable).

"**Hedge Agreement**" means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement or any other master agreement (any such master agreement, together with any related schedules, a "**Master Agreement**"), including any such obligations or liabilities under any Master Agreement.

"**QFC**" has the meaning assigned to the term "qualified financial contract" in, and shall be interpreted in accordance with, section 210(c)(8)(D) of Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. 5390(c)(8)(D)).

23. COSTS AND EXPENSES

23.1 Transaction Expenses

(a) The Company shall pay (without double counting), on the date of Financial Close in respect of the relevant Facility (or at such earlier or other dates as may be specified in any relevant Fee Letter), the Facility Agent, the Issuing Bank, any Arranger and any Bookrunner in accordance with, and subject to, the commitment letter(s) and/or mandate letter(s) and/or fee letter(s) entered into by the Company with the Facility Agent, the Issuing Bank, such Arranger and such Bookrunner the amount of all reasonable and documented pre-agreed costs and expenses (including legal fees (up to any pre-agreed cap) but excluding any allocations of overhead or internal costs) incurred by any of them in connection with the negotiation, preparation, printing, administration, execution and syndication of:

(i) this Agreement and any other documents referred to in this Agreement; and

(ii) any other Finance Documents executed after the Signing Date and prior to the Closing Date.

(b) The Company shall pay (without double counting) within thirty (30) days after the entry into of any further Finance Document, entered into at its request, the amount of all reasonable and documented pre-agreed costs and expenses (including legal fees (up to any pre-agreed cap) but excluding any allocations of overhead or internal costs) incurred by the Facility Agent in negotiating, preparing and executing such further Finance Document.

23.2 **Amendment Costs**

If (a) the Company requests an amendment, waiver or consent; or (b) an amendment is required pursuant to Clause 35.10 (*Change of Currency*) the Company shall, within five (5) Business Days of written demand, reimburse the Facility Agent for the amount of all pre-approved reasonable and documented costs and expenses (including legal fees but excluding any allocations of overhead or internal costs) incurred by the Facility Agent in responding to, evaluating, negotiating or complying with that request or requirement.

23.3 **Enforcement Costs**

The Company shall, within five (5) Business Days of written demand, pay to each Finance Party the amount of all documented costs and expenses (including legal fees) incurred by that Finance Party in connection with the enforcement of, or the preservation of any rights under, any Finance Document.

24. REPRESENTATIONS

(a) Subject to paragraph (b) below, the Company will make the representations set out in Schedule 12 (*Representations*) to the Finance Parties, in respect of itself and in respect of each other Obligor, and each other Obligor makes the following representations to each Finance Party in respect of itself at the times set out in Schedule 12 (*Representations*).

(b) The representations set out in Clause 10 (*Sanctions*) and Clause 14 (*Corrupt Practices Laws*) of Schedule 12 (*Representations*) shall:

(i) be made with respect to a EU Obligor; or

(ii) apply for the benefit of a Restricted Lender,

in each case, only to the extent that giving or having the benefit of, as applicable, such representations and warranties would not result in any violation of, conflict with or liability under the EU Blocking Regulation.

25. INFORMATION COVENANTS

The undertakings set out in Schedule 13 (*Information Covenants*) remain in force from the Signing Date for so long as any amount is outstanding under the Finance Documents or any Commitment is in force.

26. COVENANTS

(a) The undertakings set out in Schedule 14 (*Affirmative Covenants*) remain in force from the Signing Date for so long as any amount is outstanding under any Finance Documents or any Commitment is in force.

(b) The undertakings set out in Schedule 15 (*Negative Covenants*) remain in force from the Signing Date for so long as any amount is outstanding under any Finance Documents or any Commitment is in force.

(c) The Company shall procure that, within sixty (60) days after the Signing Date, the following deeds are entered into:

(i) a deed of pledge of shares between GLOBALFOUNDRIES (Netherlands) Coöperatief U.A. (as the Pledgor), Wilmington Trust, National Association (as the Pledgee) and GLOBALFOUNDRIES Netherlands Holding B.V. (as the Company);

(ii) an agreement and deed of pledge of cooperative membership interests between GLOBALFOUNDRIES INC. and GLOBALFOUNDRIES Investments LLC (as the Pledgors), Wilmington Trust, National Association (as the Pledgee) and GLOBALFOUNDRIES (Netherlands) Coöperatief U.A. (as the Cooperative); and

(iii) a deed of pledge of shares between GLOBALFOUNDRIES (Netherlands) Coöperatief U.A. (as the Pledgor), Wilmington Trust, National Association (as the Pledgee) and GLOBALFOUNDRIES Netherlands B.V. (as the Company),

(together the "**Dutch CS Security Documents**").

(d) Promptly following the date on which the Dutch CS Security Documents (and in any event within five (5) Business Days of such date) are entered into, the Company shall procure that the Facility Agent is provided with:

(i) a certified copy of the relevant updated members / shareholders register (as applicable) reflecting the Dutch CS Security Documents set out in paragraphs (c)(i), (c)(ii) and (c)(iii) above;

(ii) a certified copy of its updated register of mortgages and charges reflecting the Dutch CS Security Document set out in paragraph (c)(ii) above; and

(iii) a copy of the Dutch CS Security Documents along with a customary legal opinion from Hogan Lovells as to Dutch law (dated the same date as the Dutch CS Security Documents), in form reasonably satisfactory to the Original Lenders.

27. EVENTS OF DEFAULT

Each of the events or circumstances set out in Schedule 16 (*Events of Default*) shall be an Event of Default.

28. REMEDIES FOLLOWING DEFAULT

(a) On and at any time after the occurrence of an Event of Default that is continuing, the Facility Agent may, and shall, if so instructed by the Super Majority Lenders, by notice to the Company declare:

(i) the Total Commitments and/or Ancillary Commitments to be cancelled, whereupon they shall be so cancelled;

(ii) all or any part of the Utilisations, together with accrued interest thereon, any fees and any amounts payable under the Finance Documents to be immediately due and payable whereupon they shall become so due and payable;

(iii) that all or part of the Utilisations be payable on demand, at which time they shall immediately become payable on demand by the Facility Agent on the instructions of the Super Majority Lenders;

(iv) that cash cover in respect of each Letter of Credit is immediately due and payable at which time it shall become immediately due and payable;

(v) that cash cover in respect of each Letter of Credit is payable on demand at which time it shall immediately become due and payable on demand by the Facility Agent on the instructions of the Super Majority Lenders;

(vi) all or any part of the amounts (or cash cover in relation to those amounts) outstanding under the Ancillary Facilities to be immediately due and payable, at which time they shall become immediately due and payable; and/or

(vii) all or any part of the amounts (or cash cover in relation to those amounts) outstanding under the Ancillary Facilities to be payable on demand, whereupon they shall immediately become payable on demand by the Facility Agent.

(b) If an Event of Default under Clause 5 (*Insolvency Events*) of Schedule 16 (*Events of Default*) shall occur in a U.S. court of competent jurisdiction (an "**Automatic Acceleration Event**") in respect of a Borrower, then without notice to such Borrower or any other person, or any other act by the Facility Agent or any other person, the Total Commitments shall automatically terminate and the principal of the Loans to such Borrower, together with all accrued interest thereon, cash cover in respect of each Letter of Credit issued for the account of such Borrower, and all other amounts owed by such Borrower under the Finance Documents shall become immediately due and payable without presentment, demand, protest or notice of any kind, all of which are expressly waived.

29. CHANGES TO THE LENDERS

29.1 Assignments and transfers by the Lenders

Subject to this Clause 29 and to Clause 30 (*Debt Purchase Transactions*), a Lender (the "**Existing Lender**") may on giving ten (10) Business Days prior notice to the Company and the Facility Agent:

(a) assign any of its rights; or

(b) transfer by novation any of its rights and obligations,

under the Finance Documents to an Acceptable Transferee (the "**New Lender**").

29.2 Company consent

(a) The prior written consent of the Company is required for an assignment or transfer by an Existing Lender (such consent not to be unreasonably withheld or delayed), unless:

(i) such assignment or transfer is to another Lender;

(ii) such assignment or transfer is to an Affiliate or a Related Fund of an Existing Lender; or

(iii) an Event of Default has occurred and is continuing at the time of such transfer or assignment,

and such assignment or transfer does not affect the rights of the Obligors.

(b) Any sub-participation or sub-contract that is not effected such that the Existing Lender remains lender of record of such Loan and retains its Voting Rights, liabilities and obligations under the Finance Documents shall be deemed to be a transfer to which the provisions of Clause 29.1 (*Assignments and transfers by the Lenders*), this Clause 29.2 and Clause 29.3 (*Other conditions of assignment or transfer*) shall apply (other than in respect any requirement to comply with Clause 29.6 (*Procedure for transfer*) or Clause 29.7 (*Procedure for assignment*)).

29.3 **Other conditions of assignment or transfer**

(a) The consent of the relevant Issuing Bank (if any) is required for any assignment or transfer by an Existing Lender of any of its rights and/or obligations under the Revolving Facility or the Additional L/C Facility (in each case, if applicable).

(b) Unless the Company and the Facility Agent otherwise agree, an assignment or transfer of part (but not the entirety) of an Existing Lender's Commitment or rights and obligations under this Agreement must be in a minimum amount of US$10,000,000 (or its equivalent in any other currency or currencies).

(c) An assignment or transfer in respect of any Facility will only be effective on:

(i) receipt by the Facility Agent (whether in the Assignment Agreement, Transfer Certificate or otherwise) of written confirmation from the New Lender (in form and substance satisfactory to the Facility Agent) that the New Lender will assume the same obligations to the other Finance Parties as it would have been under if it was an Original Lender;

(ii) performance by the Facility Agent of all necessary "*know your customer*" or other similar checks under all applicable laws and regulations in relation to such assignment to a New Lender, the completion of which the Facility Agent shall promptly notify to the Existing Lender and the New Lender;

(iii) (in the case of a transfer only) the procedure set out in Clause 29.6 (*Procedure for transfer*) and the restrictions otherwise set out in this Clause 29 are complied with; and

(iv) (in the case of an assignment only) the procedure set out in Clause 29.7 (*Procedure for assignment*) and the restrictions otherwise set out in this Clause 29 are complied with.

(d) If:

(i) a Lender assigns or transfers any of its rights or obligations under the Finance Documents or changes its Facility Office; and

(ii) as a result of circumstances existing at the date the assignment, transfer or change occurs, an Obligor would be obliged to make a payment to the New Lender or Lender acting through its new Facility Office under Clause 18.2 (*Tax Indemnity*), Clause 19 (*Increased Costs*) or any other Tax provision of this Agreement,

then the New Lender or Lender acting through its new Facility Office is only entitled to receive payment under Clause 18.2 (*Tax Indemnity*), Clause 19 (*Increased Costs*) or other Tax provision of this Agreement to the same extent as the Existing Lender or Lender acting through its previous Facility Office would have been if the assignment, transfer, novation, sub-participation, sub-contract, trust or other change had not occurred.

(e) Each New Lender, by executing the relevant Transfer Certificate or Assignment Agreement, confirms (for the avoidance of doubt) that the Facility Agent has authority to execute on its behalf any amendment or waiver that has been approved by or on behalf of the requisite Lender or Lenders in accordance with this Agreement on or prior to the date on which the transfer or assignment becomes effective in accordance with this Agreement and that it is bound by that decision to the same extent as the Existing Lender would have been had it remained a Lender.

29.4 **Assignment or transfer fee**

(a) Subject to paragraph (b) below, the New Lender shall, on the date upon which an assignment or transfer takes effect, pay to the Facility Agent (for its own account) a fee of US$ 3,000. No Obligor shall be responsible for bearing any of the costs of any assignment, novation, transfer, sale of any participation or securitisation.

(b) No fee is payable pursuant to paragraph (a) above if the Facility Agent (in its absolute discretion) agrees that no fee is payable.

29.5 **Limitation of responsibility of Existing Lenders**

(a) Unless expressly agreed to the contrary, an Existing Lender makes no representation or warranty and assumes no responsibility to a New Lender for:

(i) the legality, validity, effectiveness, adequacy or enforceability of the Finance Documents or any other documents;

(ii) the financial condition of any Obligor;

(iii) the performance and observance by any Obligor of its obligations under the Finance Documents or any other documents; or

(iv) the accuracy of any statements (whether written or oral) made in or in connection with any Finance Document or any other document,

and any representations or warranties implied by law are excluded.

(b) Each New Lender confirms to the Existing Lender and the other Finance Parties that it:

(i) has made (and shall continue to make) its own independent investigation and assessment of the financial condition and affairs of each Obligor and its related entities in connection with its participation in this Agreement and has not relied exclusively on any information provided to it by the Existing Lender or any other Finance Party in connection with any Finance Document; and

(ii) will continue to make its own independent appraisal of the creditworthiness of each Obligor and its related entities whilst any amount is or may be outstanding under the Finance Documents or any Commitment is in force.

(c) Nothing in any Finance Document obliges an Existing Lender to:

(i) accept a re-transfer or re-assignment from a New Lender of any of the rights and obligations assigned or transferred under this Clause 29; or

(ii) support any losses directly or indirectly incurred by the New Lender by reason of the non-performance by any Obligor of its obligations under the Finance Documents or otherwise.

29.6 **Procedure for transfer**

(a) Subject to the conditions set out in Clause 29.2 (*Company consent*) and Clause 29.3 (*Other conditions of assignment or transfer*) a transfer is effected in accordance with paragraph (c) below when the Facility Agent executes an otherwise duly completed Transfer Certificate delivered to it by the Existing Lender and the New Lender and the Facility Agent makes a corresponding entry in the Register pursuant to Clause 29.8. The Facility Agent shall, subject to paragraph (b) below, as soon as reasonably practicable after receipt by it of a duly completed Transfer Certificate appearing on its face to comply with the terms of this Agreement and delivered in accordance with the terms of this Agreement, execute that Transfer Certificate.

(b) The Facility Agent shall only be obliged to execute a Transfer Certificate delivered to it by the Existing Lender and the New Lender and make a corresponding entry in the Register once it is satisfied it has complied with all necessary "*know your customer*" or other similar checks under all applicable laws and regulations in relation to the transfer to such New Lender.

(c) Subject to Clause 29.11 (*Pro rata interest settlement*), on the Transfer Date:

(i) to the extent that in the Transfer Certificate the Existing Lender seeks to transfer by novation its rights and obligations under the Finance Documents, each of the Obligors and the Existing Lender shall be released from further obligations towards one another under the Finance Documents and their respective rights against one another under the Finance Documents shall be cancelled (being the "**Discharged Rights and Obligations**");

(ii) each of the Obligors and the New Lender shall assume obligations towards one another and/or acquire rights against one another which differ from the Discharged Rights and Obligations only insofar as that Obligor or other member of the Group and the New Lender have assumed and/or acquired the same in place of that Obligor and the Existing Lender;

(iii) the Facility Agent, the Arrangers, the Bookrunners, the New Lender, the other Lenders, the Issuing Bank and any relevant Ancillary Lender shall acquire the same rights and assume the same obligations between themselves as they would have acquired and assumed had the New Lender been an Original Lender with the rights, and/or obligations acquired or assumed by it as a result of the transfer and to that

extent the Facility Agent, the Arrangers, the Bookrunners, the Issuing Bank and any relevant Ancillary Lender and the Existing Lender shall each be released from further obligations to each other under the Finance Documents; and

(iv) the New Lender shall become a Party as a "Lender".

29.7 **Procedure for assignment**

(a) Subject to the conditions set out in Clause 29.2 (*Company consent*) and Clause 29.3 (*Other conditions of assignment or transfer*) an assignment may be effected in accordance with paragraph (c) below when the Facility Agent executes an otherwise duly completed Assignment Agreement delivered to it by the Existing Lender and the New Lender. The Facility Agent shall, subject to paragraph (b) below, as soon as reasonably practicable after receipt by it of a duly completed Assignment Agreement appearing on its face to comply with the terms of this Agreement and delivered in accordance with the terms of this Agreement, execute that Assignment Agreement.

(b) The Facility Agent shall only be obliged to execute an Assignment Agreement delivered to it by the Existing Lender and the New Lender once it is satisfied it has complied with all necessary "*know your customer*" or other similar checks under all applicable laws and regulations in relation to the assignment to such New Lender.

(c) Subject to Clause 29.11 (*Pro rata interest settlement*), on the Transfer Date:

(i) the Existing Lender will assign absolutely to the New Lender its rights under the Finance Documents expressed to be the subject of the assignment in the Assignment Agreement;

(ii) the Existing Lender will be released from the obligations (the "**Relevant Obligations**") expressed to be the subject of the release in the Assignment Agreement; and

(iii) the New Lender shall become a Party as a "Lender" and will be bound by obligations equivalent to the Relevant Obligations.

(d) Lenders may utilise procedures other than those set out in this Clause 29.7 to assign their rights under the Finance Documents (but not, without the consent of the relevant Obligor or unless in accordance with Clause 29.6 (*Procedure for transfer*), to obtain a release by that Obligor from the obligations owed to that Obligor by the Lenders nor the assumption of equivalent obligations by a New Lender) **provided that** they comply with the conditions set out in Clause 29.2 (*Company consent*) and Clause 29.3 (*Other conditions of assignment or transfer*).

29.8 **The Register**

The Facility Agent, acting solely for this purpose as a non-fiduciary agent of the Obligors, shall maintain at one of its offices a copy of each Transfer Certificate delivered to it and a register (the "**Register**") for the recordation of the names and addresses of each Lender and the Commitments of and obligations owing to each Lender. Without limitation of any other provision of this Clause 29, no transfer of an interest in a Loan or Commitment hereunder shall be effective unless and until recorded

in the Register. The entries in the Register shall be conclusive absent manifest error and each Obligor, the Agent and each Lender shall treat each person whose name is recorded in the Register as a Lender notwithstanding any notice to the contrary.

29.9 **Copy of Transfer Certificate, Assignment Agreement or Increase Confirmation to Company**

The Facility Agent shall, as soon as reasonably practicable after it has executed a Transfer Certificate, an Assignment Agreement or an Increase Confirmation, send to the Company a copy of that Transfer Certificate, Assignment Agreement or Increase Confirmation.

29.10 **Security over Lenders' rights**

In addition to the other rights provided to Lenders under this Clause 29, each Lender may without consulting with or obtaining consent from any Obligor, at any time charge, assign or otherwise create Security in or over (whether by way of collateral or otherwise) all or any of its rights under any Finance Document to secure obligations of that Lender including, without limitation:

(a) any charge, assignment or other Security to secure obligations to a federal reserve or central bank; and

(b) any charge, assignment or other Security granted to any holders (or trustee or representatives of holders) of obligations owed, or securities issued, by that Lender as security for those obligations or securities,

except that no such charge, assignment or Security shall:

(i) release a Lender from any of its obligations under the Finance Documents or substitute the beneficiary of the relevant charge, assignment or Security for the Lender as a party to any of the Finance Documents; or

(ii) require any payments to be made by an Obligor other than or in excess of, or grant to any person any more extensive rights than, those required to be made or granted to the relevant Lender under the Finance Documents.

29.11 **Pro rata interest settlement**

(a) In respect of any transfer pursuant to Clause 29.6 (*Procedure for transfer*) or any assignment pursuant to Clause 29.7 (*Procedure for assignment*) the Transfer Date of which, in each case, is not on the last day of an Interest Period):

(i) any interest or fees in respect of the relevant participation which are expressed to accrue by reference to the lapse of time shall continue to accrue in favour of the Existing Lender up to but excluding the Transfer Date ("**Accrued Amounts**") and shall become due and payable to the Existing Lender (without further interest accruing on them) on the last day of the current Interest Period (or, if the Interest Period is longer than six (6) Months, on the next of the dates which falls at six Monthly intervals after the first day of that Interest Period); and

(ii) the rights assigned or transferred by the Existing Lender will not include the right to the Accrued Amounts so that, for the avoidance of doubt:

(A) when the Accrued Amounts become payable, those Accrued Amounts will be payable for the account of the Existing Lender; and

(B) the amount payable to the New Lender on that date will be the amount which would, but for the application of this Clause 29.11, have been payable to it on that date, but after deduction of the Accrued Amounts.

(b) In this Clause 29.11 references to "Interest Period" shall be construed to include a reference to any other period for accrual of fees.

(c) An Existing Lender which retains the right to the Accrued Amounts pursuant to this Clause 29.11 but which does not have a Commitment shall be deemed not to be a Lender for the purposes of ascertaining whether the agreement of any specified group of Lenders has been obtained to approve any request for a consent, waiver, amendment or other vote of Lenders under the Finance Documents.

30. DEBT PURCHASE TRANSACTIONS

30.1 Prohibition on Debt Purchase Transactions

The Company shall not, and shall procure that each other member of the Group shall not, enter into any Debt Purchase Transaction or be a party to a Debt Purchase Transaction of the type referred to in paragraph (b) or (c) of the definition of "Debt Purchase Transaction".

30.2 Disenfranchisement on Debt Purchase Transactions entered into by Sponsor Affiliates

(a) For so long as a Sponsor Affiliate:

(i) beneficially owns a Commitment; or

(ii) has entered into a sub-participation agreement relating to a Commitment or other agreement or arrangement having a substantially similar economic effect and such agreement or arrangement has not been terminated,

in ascertaining:

(A) the Majority Lenders, Majority L/C Lenders, Majority RCF Lenders or the Super Majority Lenders; or

(B) whether:

(1) any given percentage (including, for the avoidance of doubt, unanimity) of the Total Commitments; or

(2) the agreement of any specified group of Lenders,

has been obtained to approve any request for a consent, waiver, amendment or other vote under the Finance Documents such Commitment shall be deemed to be zero; and such Sponsor Affiliate or the person with whom it has entered into such sub-participation, other agreement or arrangement shall be deemed not to be a Lender for the purposes of paragraphs (A) and (B) above (unless in the case of a person not

being a Sponsor Affiliate it is a Lender by virtue otherwise than by beneficially owning the relevant Commitment).

(b) Each Lender shall, unless such Debt Purchase Transaction is an assignment or transfer, promptly notify the Facility Agent in writing if it knowingly enters into a Debt Purchase Transaction with a Sponsor Affiliate (a "**Notifiable Debt Purchase Transaction**"), such notification to be substantially in the form set out in Part A (*Form of Notice on entering into Notifiable Debt Purchase Transaction*) of Schedule 19 (*Forms of Notifiable Debt Purchase Transaction Notice*).

(c) A Lender shall promptly notify the Facility Agent if a Notifiable Debt Purchase Transaction to which it is a party:

(i) is terminated; or

(ii) ceases to be with a Sponsor Affiliate or a member of the Group,

such notification to be substantially in the form set out in Part B (*Form of Notice on Termination of Notifiable Debt Purchase Transaction / Notifiable Debt Purchase Transaction ceasing to be with Sponsor Affiliate*) of Schedule 19 (*Forms of Notifiable Debt Purchase Transaction Notice*).

(d) Each Sponsor Affiliate that is a Lender agrees that:

(i) in relation to any meeting or conference call to which all the Lenders are invited to attend or participate, it shall not attend or participate in the same if so requested by the Facility Agent (acting reasonably) or, unless the Facility Agent (acting reasonably) otherwise agrees, be entitled to receive the agenda or any minutes of the same; and

(ii) in its capacity as Lender, unless the Facility Agent otherwise agrees, it shall not be entitled to receive any report or other document prepared at the behest of, or on the instructions of, the Facility Agent or one or more of the Lenders.

30.3 **Debt Purchase Transactions with Subordinated Lenders**

Each Subordinated Lender (as defined in Clause 35.12 (*Subordinated Lenders*)) agrees that to the extent and for so long as its Commitment, participation in any Utilisation or sub-participation or other agreement or arrangement relating to a Commitment, including, without limitation, following a Debt Purchase Transaction, could result in the subordination of claims of any other Lender under the Facilities pursuant to any law regarding the subordination of shareholder loans or prejudice or adversely affect the Transaction Security or guarantee and indemnity pursuant to Clause 22 (*Guarantee and Indemnity*) (or their enforceability) in any way, the relevant Subordinated Lender shall not be a secured or guaranteed party (however described) under and for the purposes of any Finance Document and no amount owing to it under any Finance Document shall be secured by the Transaction Security Documents (unless the subordination ceases to apply or subsequently or at the same time applies to the Lenders generally (other than where such subordination of the Lenders generally is caused by a Debt Purchase Transaction by a Subordinated Lender)).

31. CHANGES TO THE OBLIGORS

31.1 Transfer by Obligors

Subject to this Clause 31, an Obligor (other than the Company and any Borrower) may transfer by novation its rights and obligations to another Obligor incorporated in the same jurisdiction of the transferring Obligor without the prior consent of the Finance Parties, **provided that** such transfer does not cause a breach of Clause 7 (*Guarantor Coverage*) of Schedule 14 (*Affirmative Covenants*).

31.2 Additional Borrowers

(a) Subject to compliance with the provisions of paragraphs (c) and (d) of Clause 5 (*"Know your customer" checks*) of Schedule 13 (*Information Covenants*), the Company may request that any of its wholly owned Subsidiaries becomes a Borrower. That Subsidiary shall become a Borrower if:

(i) it is incorporated in Germany or in the same jurisdiction as an existing Borrower in respect of the relevant Facility or otherwise if all the Lenders under that Facility approve the addition of that Subsidiary (such approval not to be unreasonably withheld or delayed **provided that** such approval shall, for the avoidance of doubt, be subject to inclusion of tax gross-up provisions in respect of such Borrower which are acceptable to each Lender (to the extent required));

(ii) the Company and that Subsidiary deliver to the Facility Agent a duly completed and executed Accession Deed;

(iii) the Subsidiary is (or becomes) a Guarantor on or prior to becoming a Borrower;

(iv) the Company confirms that no Default is continuing or would occur as a result of that Subsidiary becoming an Additional Borrower; and

(v) the Facility Agent has received all of the documents and other evidence listed in Part B of Schedule 2 (*Conditions Precedent*) in relation to that Additional Borrower, each in form and substance satisfactory to the Facility Agent (acting reasonably).

(b) The Facility Agent shall notify the Company and the Lenders promptly upon being satisfied that it has received (in form and substance satisfactory to it (acting reasonably)) all the documents and other evidence listed Part B of Schedule 2 (*Conditions Precedent*).

(c) Other than to the extent that the relevant Majority Lenders notify the Facility Agent in writing to the contrary before the Facility Agent gives the notification described in paragraph (b) above, the Lenders authorise (but do not require) the Facility Agent to give that notification. The Facility Agent shall not be liable for any damages, costs or losses whatsoever as a result of giving any such notification.

31.3 Resignation of a Borrower

(a) The Company may request that a Borrower ceases to be a Borrower by delivering to the Facility Agent a Resignation Letter.

(b) The Facility Agent shall accept a Resignation Letter and notify the Company and the other Finance Parties of its acceptance if:

(i) the Company has confirmed that no Default is continuing or would result from the acceptance of the Resignation Letter;

(ii) the Borrower is under no actual or contingent obligations as a Borrower under any Finance Documents; and

(iii) where the Borrower is also a Guarantor (unless its resignation has been accepted in accordance with Clause 31.5 (*Resignation of a Guarantor*)), its obligations in its capacity as Guarantor continue to be legal, valid, binding and enforceable and in full force and effect (subject to the Legal Reservations) and the amount guaranteed by it as a Guarantor is not decreased (and the Company has confirmed this is the case).

(c) Upon notification by the Facility Agent to the Company of its acceptance of the resignation of a Borrower, that company shall cease to be a Borrower and shall have no further rights or obligations under the Finance Documents as a Borrower.

(d) The Facility Agent may, at the cost and expense of the Company, require a legal opinion from counsel to the Facility Agent confirming the matters set out in paragraph (b)(iii) above and the Facility Agent shall be under no obligation to accept a Resignation Letter until it has obtained such opinion in form and substance satisfactory to it.

31.4 **Additional Guarantors**

(a) Subject to compliance with the provisions of paragraphs (c) and (d) of Clause 5 (*"Know your customer" checks*) of (*Information Covenants*) of Schedule 13 (*Information Covenants*), the Company may request that any of its Subsidiaries become an Additional Guarantor. That Subsidiary shall become an Additional Guarantor if:

(i) the Company delivers to the Facility Agent a duly completed and executed Accession Deed; and

(ii) the Facility Agent has received all of the documents and other evidence listed in Part B of Schedule 2 (*Conditions Precedent*) in relation to that Additional Guarantor, each in form and substance satisfactory to the Facility Agent (acting reasonably).

(b) The Facility Agent shall notify the Company and the Lenders promptly upon being satisfied that it has received (in form and substance satisfactory to it (acting reasonably)) all the documents and other evidence listed in Part B of Schedule 2 (*Conditions Precedent*).

31.5 **Resignation of a Guarantor**

(a) The Company may request that a Guarantor (other than the Company or any Borrower) ceases to be a Guarantor by delivering to the Facility Agent a Resignation Letter which shall include confirmations that:

(i) immediately following such resignation (and taking such resignation into account) there will be compliance with the requirements of Clause 7 (*Guarantor Coverage*) of Schedule 14 (*Affirmative Covenants*); and

(ii) no Default is continuing or would result from the acceptance of such Resignation Letter.

(b) The Facility Agent shall accept a Resignation Letter and notify the Company and the Lenders of its acceptance if no payment is then due from the resigning Guarantor under its guarantee obligations.

31.6 **Repetition of Representations**

Delivery of an Accession Deed constitutes confirmation by the Company and the Additional Guarantor that the representations referred to in Clause 21 (*Times When Representations Made*) of Schedule 12 (*Representations*) in respect of the relevant Subsidiary are true and correct in relation to it as at the date of delivery as if made by reference to the facts and circumstances then existing.

32. ROLE OF THE FACILITY AGENT, THE ARRANGERS, THE BOOKRUNNERS, THE ISSUING BANK AND OTHERS

32.1 **Appointment of the Facility Agent**

(a) Each Finance Party (other than the Facility Agent) irrevocably appoints the Facility Agent to act as its agent under and in connection with the Finance Documents including, without limitation, as the Secured Debt Representative under and as defined in the Collateral Trust Agreement in respect of this Agreement.

(b) Each Finance Party irrevocably authorises the Facility Agent on its behalf to:

(i) perform the duties and to exercise the rights, powers, authorities and discretions that are specifically given to the Facility Agent under the Finance Documents, together with any other such rights, powers, authorities and discretions as are reasonably incidental thereto; and

(ii) enter into and deliver each Finance Document expressed to be entered into by the Facility Agent.

(c) Each Finance Party (other than the Facility Agent) hereby relieves the Facility Agent from the restrictions pursuant to section 181 of the German Civil Code (*Bürgerliches Gesetzbuch*) and similar restrictions applicable to it pursuant to any other law, in each case to the extent legally possible to it. A Finance Party that is barred by its constitutional documents or by-laws from granting such exemption shall notify the Facility Agent accordingly.

(d) All provisions of this Clause 32 applicable to the Facility Agent shall apply to the Facility Agent in its capacity as Secured Debt Representative under the Collateral Trust Agreement and all the benefits and indemnities (including, without limitation, any hold harmless or exculpatory provisions) applicable to the Facility Agent under this Agreement and the Finance Documents shall extend to the Facility Agent acting in such capacity.

32.2 **Instructions**

(a) The Facility Agent shall:

(i) unless a contrary indication appears in a Finance Document, exercise or refrain from exercising any right, power, authority or discretion vested in it as Facility Agent (including as a Secured Debt Representative under and as defined in the Collateral Trust Agreement) in accordance with any instructions given to it by:

(A) all Lenders if the relevant Finance Document stipulates the matter is an all Lender decision;

(B) the Super Majority Lenders if the relevant Finance Document stipulates the matter is a Super Majority Lender decision;

(C) the Majority L/C Lenders if the relevant Finance Document stipulates the matter is a Majority L/C Lender decision;

(D) the Majority RCF Lenders if the relevant Finance Document stipulates the matter is a Majority RCF Lender decision; and

(E) in all other cases, the Majority Lenders (including, without limitation, in respect of decisions of the requisite lenders under the Collateral Trust Agreement); and

(ii) not be liable for any act (or omission) if it acts (or refrains from acting) in accordance with paragraph (i) above.

(b) The Facility Agent shall be entitled to request instructions, or clarification of any instruction, from the Majority Lenders (or, if the relevant Finance Document stipulates the matter is a decision for any other Lender or group of Lenders, from that Lender or group of Lenders) as to whether, and in what manner, it should exercise or refrain from exercising any right, power, authority or discretion and the Facility Agent may refrain from acting unless and until it receives any such instructions or clarification that it has requested.

(c) Save in the case of decisions stipulated to be a matter for any other Lender or group of Lenders under the relevant Finance Document and unless a contrary indication appears in a Finance Document, any instructions given to the Facility Agent by the Majority Lenders shall override any conflicting instructions given by any other Parties and will be binding on all Finance Parties.

(d) The Facility Agent may refrain from acting in accordance with any instructions of any Lender or group of Lenders until it has received any indemnification and/or security that it may in its discretion require (which may be greater in extent than that contained in the Finance Documents and which may include payment in advance) for any cost, loss or liability which it may incur in complying with those instructions.

(e) In the absence of instructions, the Facility Agent may act (or refrain from acting) as it considers to be in the best interest of the Lenders.

(f) The Facility Agent is not authorised to act on behalf of a Lender (without first obtaining that Lender's consent) in any legal or arbitration proceedings relating to any Finance Document.

32.3 **Duties of the Facility Agent**

(a) The Facility Agent's duties under the Finance Documents are solely of a mechanical and administrative nature; the Facility Agent shall not have by reason of this Agreement, any other Finance Document a fiduciary relationship or any implied duties under any agency doctrine under Applicable Law in respect of any of the Lenders.

(b) Subject to paragraph (c) below, the Facility Agent shall promptly forward to a Party the original or a copy of any document which is delivered to the Facility Agent for that Party by any other Party.

(c) Without prejudice to Clause 29.9 (*Copy of Transfer Certificate, Assignment Agreement or Increase Confirmation to Company*) and paragraph (e) of Clause 7.4 (*Cash Collateral by Non-Acceptable L/C Lender and Borrower's option to provide cash cover*), paragraph (b) above shall not apply to any Transfer Certificate, any Assignment Agreement or any Increase Confirmation.

(d) Except where a Finance Document specifically provides otherwise, the Facility Agent is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another Party.

(e) If the Facility Agent receives notice from a Party referring to this Agreement, describing a Default and stating that the circumstance described is a Default, it shall promptly notify the other Finance Parties.

(f) If the Facility Agent is aware of the non-payment of any principal, interest, commitment fee or other fee payable to a Finance Party (other than the Facility Agent, the Arrangers or the Bookrunners) under this Agreement, it shall promptly notify the other Finance Parties.

(g) The Facility Agent shall have only those duties, obligations and responsibilities expressly specified in the Finance Documents to which it is expressed to be a party (and no others shall be implied).

32.4 **Role of the Arrangers and Bookrunners**

Except as specifically provided in the Finance Documents, the Arrangers and the Bookrunners have no obligations of any kind to any other Party under or in connection with any Finance Document.

32.5 **No fiduciary duties**

(a) In performing its functions and duties under the Finance Documents, the Facility Agent shall act solely as agent of the Lenders pursuant to the Finance Documents and does not assume and shall not be deemed to have assumed any obligation toward or relationship of agency, trust or fiduciary with or for the Company or any other person.

(b) Neither the Facility Agent, nor any Arranger or Bookrunner, nor the Issuing Bank shall be bound to account to any Lender for any sum or the profit element of any sum received by it for its own account.

32.6 **Business with the Group**

The Facility Agent, the Arrangers, the Bookrunners, the Issuing Bank and each Ancillary Lender may accept deposits from, lend money to and generally engage in any kind of lending or other business with any person including the Company, any other member of the Group and any party to any Finance Document.

32.7 **Rights and discretions**

(a) The Facility Agent and the Issuing Bank may:

(i) rely on any representation, communication, notice or document (including, without limitation, any notice given by a Lender pursuant to paragraphs (b) or (c) of Clause 30.2 (*Disenfranchisement on Debt Purchase Transactions entered into by Sponsor Affiliates or members of the Group*)) believed by it to be genuine, correct and appropriately authorised;

(ii) assume that:

(A) any instructions received by it from the Majority Lenders, any Lenders or any group of Lenders are duly given in accordance with the terms of the Finance Documents; and

(B) unless it has received notice of revocation, that those instructions have not been revoked; and

(iii) rely on a certificate from any person:

(A) as to any matter of fact or circumstance which might reasonably be expected to be within the knowledge of that person; or

(B) to the effect that such person approves of any particular dealing, transaction, step, action or thing,

as sufficient evidence that that is the case and, in the case of paragraph (A) above, may assume the truth and accuracy of that certificate.

(b) The Facility Agent may assume (unless it has received notice to the contrary in its capacity as Facility Agent) that:

(i) no Default has occurred (unless it has actual knowledge of a Default arising under Clause 1 (*Non-Payment*) of Schedule 16 (*Events of Default*);

(ii) any right, power, authority or discretion vested in any Party or any group of Lenders has not been exercised;

(iii) any notice or request made by the Company (other than a Utilisation Request) is made on behalf of and with the consent and knowledge of all the Obligors; and

(iv) no Notifiable Debt Purchase Transaction:

(A) has been entered into;

(B) has been terminated; or

(C) has ceased to be with a Sponsor Affiliate.

(c) Subject to Clause 20.3 (*Indemnity to the Facility Agent*) and Clause 23 (*Costs and Expenses*), the Facility Agent may engage and pay for the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts.

(d) Without prejudice to the generality of paragraph (c) above or paragraph (e) below but subject to Clause 20.3 (*Indemnity to the Facility Agent*) and Clause 23 (*Costs and Expenses*), the Facility Agent may at any time engage and pay for the services of any lawyers to act as independent counsel to the Facility Agent (and so separate from any lawyers instructed by the Lenders) if the Facility Agent in its reasonable opinion deems this to be desirable.

(e) The Facility Agent may rely on the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts (whether obtained by the Facility Agent or by any other Party) and shall not be liable for any damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result of its so relying.

(f) The Facility Agent may act in relation to the Finance Documents through its officers, employees and agents and the Facility Agent shall not:

(i) be liable for any error of judgment made by any such person; or

(ii) be bound to supervise, or be in any way responsible for, any loss incurred by reason of misconduct, omission or default on the part of any such person,

unless such error or such loss was directly caused by the Facility Agent's gross negligence or wilful misconduct.

(g) Unless a Finance Document expressly provides otherwise the Facility Agent may disclose to any other Party any information it reasonably believes it has received as agent under this Agreement.

(h) Without prejudice to the generality of paragraph (g) above, the Facility Agent:

(i) may disclose; and

(ii) on the written request of the Company, the Majority RCF Lenders or the Majority L/C Lenders (as applicable) shall, as soon as reasonably practicable, disclose,

the identity of a Defaulting Lender to the Company and to the other Finance Parties.

(i) Notwithstanding any other provision of any Finance Document to the contrary, none of the Facility Agent, any Arranger, any Bookrunner or the Issuing Bank is obliged to do or omit to do anything if it would, or might in its reasonable opinion, constitute a breach of any law or regulation or a breach of a fiduciary duty or duty of confidentiality. In particular, and for the avoidance of doubt, nothing in any Finance Document shall be construed so as to constitute an obligation of the Facility Agent, the Arranger, any Bookrunner or the Issuing Bank to perform

any services which it would not be entitled to render pursuant to the provisions of the German Act on Rendering Legal Services (*Rechtsdienstleistungsgesetz*) or pursuant to the provisions of the German Tax Advisory Act (*Steuerberatungsgesetz*) or any other services that require an express official approval, licence or registration, unless the Facility Agent, such Arranger, such Bookrunner or the Issuing Bank (as the case may be) holds the required approval, licence or registration.

(j) Notwithstanding any provision of any Finance Document to the contrary, the Facility Agent is not obliged to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties, obligations or responsibilities or the exercise of any right, power, authority or discretion if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it.

32.8 **Responsibility for documentation**

None of the Facility Agent, any Arranger, any Bookrunner, the Issuing Bank or any Ancillary Lender is responsible or liable for:

(a) the adequacy, accuracy or completeness of any information (whether oral or written) supplied by the Facility Agent, an Arranger, a Bookrunner, the Issuing Bank or any Ancillary Lender an Obligor or any other person in or in connection with any Finance Document or the Information Package or the transactions contemplated in the Finance Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document;

(b) the legality, validity, effectiveness, adequacy or enforceability of any Finance Document or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document; or

(c) any determination as to whether any information provided or to be provided to any Finance Party is non-public information the use of which may be regulated or prohibited by applicable law or regulation relating to insider dealing or otherwise.

32.9 **No duty to monitor**

The Facility Agent shall not be bound to enquire:

(a) whether or not any Default has occurred;

(b) as to the performance, default or any breach by any Party of its obligations under any Finance Document; or

(c) whether any other event specified in any Finance Document has occurred.

32.10 **Exclusion of liability**

(a) Without limiting paragraph (b) below (and without prejudice to any other provision of any Finance Document excluding or limiting the liability of the Facility Agent), the Issuing Bank or any Ancillary Lender), none of the Facility Agent, the Issuing Bank, nor any Ancillary Lender will be liable (including, without limitation, for negligence or any other category of liability whatsoever) for:

(i) any damages, costs or losses to any person, any diminution in value, or any liability whatsoever arising as a result of taking or not taking any action under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct;

(ii) exercising, or not exercising, any right, power, authority or discretion given to it by, or in connection with, any Finance Document or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with, any Finance Document; or

(iii) without prejudice to the generality of paragraphs (i) and (ii) above, any damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result of:

(A) any act, event or circumstance not reasonably within its control; or

(B) the general risks of investment in, or the holding of assets in, any jurisdiction,

including (in each case and without limitation) such damages, costs, losses, diminution in value or liability arising as a result of: nationalisation, expropriation or other governmental actions; any regulation, currency restriction, devaluation or fluctuation; market conditions affecting the execution or settlement of transactions or the value of assets (including any Disruption Event); breakdown, failure or malfunction of any third party transport, telecommunications, computer services or systems; natural disasters or acts of God; war, terrorism, insurrection or revolution; or strikes or industrial action.

(b) No Party (other than the Facility Agent, the Issuing Bank or an Ancillary Lender (as applicable)) may take any proceedings against any officer, employee or agent of the Facility Agent, the Issuing Bank or an Ancillary Lender in respect of any claim it might have against the Facility Agent, or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Finance Document and any officer, employee or agent of the Facility Agent, the Issuing Bank or an Ancillary Lender may rely on this Clause subject to Clause 1.4 (*Contracts (Rights of Third Parties) Act*) and the provisions of the Third Parties Act.

(c) The Facility Agent will not be liable for any delay (or any related consequences) in crediting an account with an amount required under the Finance Documents to be paid by the Facility Agent if the Facility Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Facility Agent for that purpose.

(d) Nothing in this Agreement shall oblige the Facility Agent, any Arranger or any Bookrunner to carry out:

(i) any "*know your customer*" or other checks in relation to any person; or

(ii) any check on the extent to which any transaction contemplated by this Agreement might be unlawful for any Lender or for any Affiliate of any Lender,

on behalf of any Lender and each Lender confirms to the Facility Agent, the Arrangers and the Bookrunners that it is solely responsible for any such checks it is required to carry out and that it may not rely on any statement in relation to such checks made by the Facility Agent, the Arrangers or the Bookrunners.

(e) Without prejudice to any provision of any Finance Document excluding or limiting the Facility Agent's liability, any liability of the Facility Agent arising under or in connection with any Finance Document shall be limited to the amount of actual loss which has been finally judicially determined to have been suffered (as determined by reference to the date of default of the Facility Agent or, if later, the date on which the loss arises as a result of such default) but without reference to any special conditions or circumstances known to the Facility Agent at any time which increase the amount of that loss. In no event shall the Facility Agent be liable for any loss of profits, goodwill, reputation, business opportunity or anticipated saving, or for special, punitive, indirect or consequential damages, whether or not the Facility Agent has been advised of the possibility of such loss or damages.

32.11 **Lenders' indemnity to the Facility Agent**

(a) Save to the extent that the same are recovered from the Company or any other Obligor, each Lender shall, from time to time on demand by the Facility Agent, indemnify the Facility Agent, in the proportion that its share of the Total Commitments at the time of such demand bears to the aggregate amount of the Total Commitments at the time of such demand (or, if the Total Commitments are then zero, its share of the Total Commitments immediately prior to their reduction to zero), against any and all costs, claims, losses, expenses (including legal fees) and liabilities together with any VAT thereon which the Facility Agent may incur, otherwise than by reason of its own gross negligence or wilful misconduct, in acting in its capacity as Facility Agent under the Finance Documents or otherwise in the performance of its obligations thereunder.

(b) Subject to paragraph (c) below, the Company shall (or shall procure that an Obligor will) within five (5) Business Days of written demand, reimburse any Lender for any payment that Lender makes to the Facility Agent pursuant to paragraph (a) above.

(c) Paragraph (b) above shall not apply to the extent that the indemnity payment in respect of which a Lender claims reimbursement relates to:

(i) a liability of the Facility Agent to the Company or an Obligor; or

(ii) a dispute between the Facility Agent and one or more other Finance Parties.

32.12 **Resignation of the Facility Agent**

(a) The Facility Agent may resign and appoint one of its Affiliates acting through an office in the same jurisdiction as Facility Agent by giving notice to the Lenders and the Company.

(b) Alternatively, the Facility Agent may resign by giving not less than forty-five (45) days' prior written notice to the Lenders and the Company, in which case the Majority Lenders (after consultation with the Company) may appoint a successor Facility Agent.

(c) If the Majority Lenders have not appointed a successor Facility Agent in accordance with paragraph (b) above within twenty (20) days after notice of resignation was given, the retiring Facility Agent may appoint a successor Facility Agent with, so long as no Event of Default has occurred and is continuing, the Company's prior approval (such approval not to be unreasonably withheld or delayed) during the period of such notice, but if no successor is appointed, the Facility Agent may appoint such a successor itself.

(d) Notwithstanding the above, if there is failure to appoint a successor to the Facility Agent following the expiry of the relevant notice period, the Facility Agent shall be entitled to apply to a court of competent jurisdiction to seek its release from its appointment and the appointment of a successor.

(e) The retiring Facility Agent shall, at its own cost, make available to the successor Facility Agent such documents and records and provide such assistance as the successor Facility Agent may reasonably request for the purposes of performing its functions as Facility Agent under the Finance Documents.

(f) The Facility Agent's resignation notice shall only take effect upon the appointment of a successor and **provided that** such successor has acceded to the Collateral Trust Agreement as Secured Debt Representative in respect of the Facilities.

(g) Upon the appointment of a successor, the retiring Facility Agent shall be discharged from any further obligation in respect of the Finance Documents (other than its obligations under paragraph (e) above) but shall remain entitled to the benefit of Clause 20.3 (*Indemnity to the Facility Agent*) and this Clause 32 (and any agency fees for the account of the retiring Facility Agent shall cease to accrue from (and shall be payable on) that date). Any successor and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if such successor had been an original Party.

(h) The Facility Agent shall resign in accordance with paragraph (b) above (and, to the extent applicable, shall use reasonable endeavours to appoint a successor Facility Agent pursuant to paragraph (c) above) if on or after the date which is three (3) months before the earliest FATCA Application Date relating to any payment to the Facility Agent under the Finance Documents, either:

(i) the Facility Agent fails to respond to a request under Clause 18.7 (*FATCA Information*) and the Company or a Lender reasonably believes that the Facility Agent will not be (or will have ceased to be) a FATCA Exempt Party on or after that FATCA Application Date;

(ii) the information supplied by the Facility Agent pursuant to Clause 18.7 (*FATCA Information*) indicates that the Facility Agent will not be (or will have ceased to be) a FATCA Exempt Party on or after that FATCA Application Date; or

(iii) the Facility Agent notifies the Company and the Lenders that the Facility Agent will not be (or will have ceased to be) a FATCA Exempt Party on or after that FATCA Application Date,

and (in each case) the Company or a Lender reasonably believes that a Party will be required to make a FATCA Deduction that would not be required if the Facility Agent were a FATCA

Exempt Party, and the Company or that Lender, by notice to the Facility Agent, requires it to resign.

32.13 **Replacement of the Facility Agent**

(a) After consultation with the Company, the Majority Lenders may, by giving not less than forty-five (45) days' prior written notice to the Facility Agent (or, at any time the Facility Agent is an Impaired Agent, by giving any shorter notice determined by the Majority Lenders) replace the Facility Agent by appointing a successor Facility Agent).

(b) The retiring Facility Agent shall (at its own cost if it is an Impaired Agent and otherwise at the expense of the Lenders) make available to the successor Facility Agent such documents and records and provide such assistance as the successor Facility Agent may reasonably request for the purposes of performing its functions as Facility Agent under the Finance Documents.

(c) The appointment of the successor Facility Agent shall take effect on the date specified in the notice from the Majority Lenders to the retiring Facility Agent and **provided that** such successor has acceded to the Collateral Trust Agreement as Secured Debt Representative in respect of the Facilities. As from this date, the retiring Facility Agent shall be discharged from any further obligation in respect of the Finance Documents (other than its obligations under paragraph (b) above) but shall remain entitled to the benefit of Clause 20.3 (*Indemnity to the Facility Agent*) and this Clause 32 (and any agency fees for the account of the retiring Facility Agent shall cease to accrue from (and shall be payable on) that date).

(d) Any successor Facility Agent and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if such successor had been an original Party.

32.14 **Confidentiality**

(a) In acting as agent for the Finance Parties, the Facility Agent shall be regarded as acting through its agency division which shall be treated as a separate entity from any other of its divisions or departments.

(b) If information is received by another division or department of the Facility Agent, it may be treated as confidential to that division or department and the Facility Agent shall not be deemed to have notice of it.

32.15 **Relationship with the Lenders**

(a) Subject to Clause 29.11 (*Pro rata interest settlement*), the Facility Agent may treat the person shown in its records as Lender at the opening of business (in the place of the Facility Agent's principal office as notified to the Finance Parties from time to time) as the Lender acting through its Facility Office:

(i) entitled to or liable for any payment due under any Finance Document on that day; and

(ii) entitled to receive and act upon any notice, request, document or communication or make any decision or determination under any Finance Document made or delivered on that day,

unless it has received not less than five (5) Business Days' prior notice from that Lender to the contrary in accordance with the terms of this Agreement.

(b) Any Lender may by notice to the Facility Agent appoint a person to receive on its behalf all notices, communications, information and documents to be made or despatched to that Lender under the Finance Documents. Such notice shall contain the address, fax number and (where communication by electronic mail or other electronic means is permitted under Clause 38.6 (*Electronic communication*)) electronic mail address and/or any other information required to enable the transmission of information by that means (and, in each case, the department or officer, if any, for whose attention communication is to be made) and be treated as a notification of a substitute address, fax number, electronic mail address (or such other information), department and officer by that Lender for the purposes of Clause 38.2 (*Addresses*) and paragraph (a)(ii) of Clause 38.6 (*Electronic communication*) and the Facility Agent shall be entitled to treat such person as the person entitled to receive all such notices, communications, information and documents as though that person were that Lender.

32.16 **Credit appraisal by the Lenders, Issuing Bank and Ancillary Lenders**

(a) Without affecting the responsibility of any Obligor for information supplied by it or on its behalf in connection with any Finance Document, each Lender, Issuing Bank and each Ancillary Lender confirms to the Facility Agent, Issuing Bank, each Ancillary Lender, each Arranger and each Bookrunner that it has been, and will continue to be, solely responsible for making its own independent appraisal and investigation of all risks arising under or in connection with any Finance Document including but not limited to:

(i) the financial condition, status and nature of each member of the Group;

(ii) the legality, validity, effectiveness, adequacy or enforceability of any Finance Document and any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document;

(iii) whether that Lender, Issuing Bank or Ancillary Lenders has recourse, and the nature and extent of that recourse, against any Party or any of its respective assets under or in connection with any Finance Document, the transactions contemplated by the Finance Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document; and

(iv) the adequacy, accuracy or completeness of the Information Package and any other information provided by the Facility Agent, any Party or by any other person under or in connection with any Finance Document, the transactions contemplated by any Finance Document or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document.

32.17 **Deduction from amounts payable by the Facility Agent**

If any Party owes an amount to the Facility Agent under the Finance Documents the Facility Agent may, after giving notice to that Party, deduct an amount not exceeding that amount from any payment to that Party which the Facility Agent would otherwise be obliged to make under the Finance

Documents and apply the amount deducted in or towards satisfaction of the amount owed. For the purposes of the Finance Documents that Party shall be regarded as having received any amount so deducted.

32.18 **Role of Reference Banks**

(a) No Reference Bank is under any obligation to provide a quotation or any other information to the Facility Agent.

(b) No Reference Bank will be liable for any action taken by it under or in connection with any Finance Document, or for any Reference Bank Quotation, unless directly caused by its gross negligence or wilful misconduct.

(c) No Party (other than the relevant Reference Bank) may take any proceedings against any officer, employee or agent of any Reference Bank in respect of any claim it might have against that Reference Bank or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Finance Document, or to any Reference Bank Quotation, and any officer, employee or agent of each Reference Bank may rely on this Clause 32.18 subject to Clause 1.4 (*Contracts (Rights of Third Parties) Act*) and the provisions of the Third Parties Act.

32.19 **Third party Reference Banks**

A Reference Bank which is not a Party may rely on Clause 32.18 (*Role of Reference Banks*), paragraph (a) of Clause 42.4 (*Other exceptions*) and Clause 44 (*Confidentiality of Funding Rates*) subject to Clause 1.4 (*Contracts (Rights of Third Parties) Act*) and the provisions of the Third Parties Act.

33. **CONDUCT OF BUSINESS BY THE FINANCE PARTIES**

No provision of this Agreement will:

(a) interfere with the right of any Finance Party to arrange its affairs (tax or otherwise) in whatever manner it thinks fit;

(b) oblige any Finance Party to investigate or claim any credit, relief, remission or repayment available to it or the extent, order and manner of any claim; or

(c) oblige any Finance Party to disclose any information relating to its affairs (tax or otherwise) or any computations in respect of Tax.

34. **SHARING AMONG THE FINANCE PARTIES**

34.1 **Payments to Finance Parties**

(a) Subject to paragraph (b) below, if a Finance Party (a "**Recovering Finance Party**") receives or recovers any amount on account of any liability of the Company or any other Obligor under any Finance Document, whether directly or indirectly, whether by exercising a right of set-off, combination of accounts, banker's lien or counterclaim or by enforcing or exercising any other right or remedy under any Finance Document (including any payment required by applicable law to made to such Recovering Finance Party notwithstanding the terms of this Clause 34.1)

or other than in accordance with Clause 35 (*Payment mechanics*) (a "**Recovered Amount**") and applies that amount to a payment due under the Finance Documents then:

(i) the Recovering Finance Party shall, within three (3) Business Days, notify details of the receipt or recovery to the Facility Agent;

(ii) the Facility Agent shall determine whether the receipt or recovery is in excess of the amount the Recovering Finance Party would have been paid had the receipt or recovery been received or made by the Facility Agent and distributed in accordance with Clause 35 (*Payment mechanics*) (without taking account of any Tax which would be imposed on the Facility Agent in relation to the receipt, recovery or distribution); and

(iii) the Recovering Finance Party shall, within three (3) Business Days of demand by the Facility Agent, pay to the Facility Agent an amount (the "**Sharing Payment**") equal to such receipt or recovery less any amount which the Facility Agent determines may be retained by the Recovering Finance Party as its share of any payment to be made, in accordance with Clause 35.6 (*Partial payments*) so as to ensure that no Finance Party receives more than its *pro rata* share of any amount received or recovered from the Recovering Finance Party.

(b) Paragraph (a) above shall not apply to any amount received or recovered by an Issuing Bank or an Ancillary Lender in respect of any cash cover provided for the benefit of that Issuing Bank or that Ancillary Lender.

34.2 **Redistribution of payments**

The Facility Agent shall treat the Sharing Payment as if it had been paid by the relevant Obligor and distribute it between the Finance Parties (other than the Recovering Finance Party) (the "**Sharing Finance Parties**") in accordance with Clause 35.6 (*Partial payments*) towards the obligations of that Obligor to the Sharing Finance Parties.

34.3 **Recovering Finance Party's rights**

On a distribution by the Facility Agent under Clause 34.2 (*Redistribution of payments*) of a payment received by a Recovering Finance Party from an Obligor, as between the relevant Obligor and the Recovering Finance Party, an amount of the Recovered Amount equal to the Sharing Payment will be treated as not having been paid by that Obligor.

34.4 **Reversal of redistribution**

If any part of the Sharing Payment received or recovered by a Recovering Finance Party becomes repayable and is repaid by that Recovering Finance Party, then:

(a) each Sharing Finance Party shall, upon request of the Facility Agent, pay to the Facility Agent for the account of that Recovering Finance Party an amount equal to the appropriate part of its share of the Sharing Payment (together with an amount as is necessary to reimburse that Recovering Finance Party for its proportion of any interest on the Sharing Payment which that Recovering Finance Party is required to pay) (the "**Redistributed Amount**"); and

(b) as between the relevant Obligor and each relevant Sharing Finance Party, an amount equal to the relevant Redistributed Amount will be treated as not having been paid by that Obligor.

34.5 **Exceptions**

(a) This Clause 34 shall not apply to the extent that the Recovering Finance Party would not, after making any payment pursuant to this Clause, have a valid and enforceable claim against the relevant Obligor.

(b) A Recovering Finance Party is not obliged to share with any other Finance Party any amount which the Recovering Finance Party has received or recovered as a result of taking legal or arbitration proceedings, if:

(i) it notified the other Finance Party of the legal or arbitration proceedings; and

(ii) the other Finance Party had an opportunity to participate in those legal or arbitration proceedings but did not do so as soon as reasonably practicable having received notice and did not take separate legal or arbitration proceedings.

(c) The provisions of Clause 34.1 (*Payments to Finance Parties*) shall not apply to any payments under this Agreement that are contemplated to be applied to the outstanding Utilisations on other than a *pro rata* basis including, for the avoidance of doubt, any prepayments made pursuant to Clause 11.1 (*Illegality*), Clause 12.1 (*Change of Control*) and Clause 11.4 (*Right of cancellation and repayment in relation to a single Lender*).

(d) This Clause 34 is subject to the provisions of Clause 35.12 (*Subordinated Lenders*).

34.6 **Ancillary Lenders**

(a) This Clause 34 shall not apply to any receipt or recovery by a Lender in its capacity as an Ancillary Lender at any time prior to the Facility Agent exercising any of its rights under Clause 28 (*Remedies following Default*).

(b) Following the exercise by the Facility Agent of any of its rights under Clause 28 (*Remedies following Default*), this Clause 34 shall apply to all receipts or recoveries by Ancillary Lenders except to the extent that the receipt or recovery represents a reduction of the Gross Outstandings of a Multi-account Overdraft to or towards an amount equal to its Net Outstandings.

35. **PAYMENT MECHANICS**

35.1 **Payments to the Facility Agent**

(a) On each date on which a Finance Document (excluding a payment under the terms of an Ancillary Document) requires an amount to be paid by an Obligor or a Lender, that Obligor or Lender (as the case may be) shall (unless a contrary indication appears in a Finance Document) make the same available to the Facility Agent for value on the due date at the time and in such funds specified by the Facility Agent as being customary at the time for settlement of transactions in the relevant currency in the place of payment.

(b) Payment shall be made to such account in the principal financial centre of the country of that currency (or, in relation to Euro, in a principal financial centre in such Participating Member State or London, as specified by the Facility Agent) and with such bank as the Facility Agent, in each case, specifies.

35.2 **Distributions by the Facility Agent**

Each payment received by the Facility Agent under the Finance Documents for another Party shall, subject to Clause 35.3 (*Distributions to an Obligor*) and Clause 35.4 (*Clawback and pre-funding*), be made available by the Facility Agent as soon as reasonably practicable after receipt to the Party entitled to receive payment in accordance with this Agreement (in the case of a Lender, for the account of its Facility Office), to such account as that Party may notify to the Facility Agent by not less than seven (7) calendar days' notice with a bank specified by that Party in the principal financial centre of the country of that currency (or, in relation to Euro, in the principal financial centre of a Participating Member State or London, as specified by that Party).

35.3 **Distributions to an Obligor**

The Facility Agent may (with the consent of the Obligor or in accordance with Clause 37 (*Set-Off*)) apply any amount received by it for that Obligor in or towards payment (on the date and in the currency and funds of receipt) of any amount due from that Obligor under the Finance Documents or in or towards purchase of any amount of any currency to be so applied.

35.4 **Clawback and pre-funding**

(a) Where a sum is to be paid to the Facility Agent under any Finance Document for any other person, the Facility Agent is not obliged to pay that sum to that other person (or to enter into or perform any related exchange contract) until it has been able to establish to its satisfaction that it has actually received that sum.

(b) Unless paragraph (c) below applies, if the Facility Agent pays an amount to another Party and it proves to be the case that the Facility Agent had not actually received that amount, then the Party to whom that amount (or the proceeds of any related exchange contract) was paid by the Facility Agent shall on demand refund the same to the Facility Agent (together with interest on that amount from the date of payment to the date of receipt by the Facility Agent, calculated by the Facility Agent to reflect its cost of funds).

(c) If the Facility Agent has notified the Lenders that it is willing to make available amounts for the account of a Borrower before receiving funds from the Lenders then if and to the extent that the Facility Agent does so but it proves to be the case that it does not then receive funds from a Lender in respect of a sum which it paid to a Borrower:

(i) the Facility Agent shall notify the Company of that Lender's identity and the Borrower to whom that sum was made available shall on demand refund it to the Facility Agent; and

(ii) the Lender by whom those funds should have been made available or, if that Lender fails to do so, the Borrower to whom that sum was made available, shall on demand pay to the Facility Agent the amount (as certified by the Facility Agent) which will

indemnify the Facility Agent against any funding cost incurred by it as a result of paying out that sum before receiving those funds from that Lender.

35.5 **Impaired Agent**

(a) If, at any time, the Facility Agent becomes an Impaired Agent, an Obligor or a Lender which is required to make a payment under the Finance Documents to the Facility Agent in accordance with Clause 35.1 (*Payments to the Facility Agent*) may instead either:

(i) pay that amount direct to the required recipient(s); or

(ii) if in its absolute discretion it considers that it is not reasonably practicable to pay that amount direct to the required recipient(s), pay that amount or the relevant part of that amount to an interest-bearing account held with an Acceptable Bank within the meaning of paragraph (a) of the definition of "Acceptable Bank" and in relation to which no Insolvency Event has occurred and is continuing, in the name of the Obligor or the Lender making the payment (the "**Paying Party**") and designated as a trust account for the benefit of the Party or Parties beneficially entitled to that payment under the Finance Documents (the "**Recipient Party**" or "**Recipient Parties**").

(b) All interest accrued on the amount standing to the credit of the trust account shall be for the benefit of the Recipient Party or Recipient Parties *pro rata* to their respective entitlements.

(c) A Party which has made a payment in accordance with this Clause 35.5 shall be discharged of the relevant payment obligation under the Finance Documents and shall not take any credit risk with respect to the amounts standing to the credit of the trust account.

(d) Promptly upon the appointment of a successor Agent in accordance with Clause 32.13 (*Replacement of the Facility Agent*), each Paying Party shall (other than to the extent that that Party has given an instruction pursuant to paragraph (e) below) give all requisite instructions to the bank with whom the trust account is held to transfer the amount (together with any accrued interest) to the successor Agent for distribution to the relevant Recipient Party or Recipient Parties in accordance with Clause 35.2 (*Distributions by the Facility Agent)*.

(e) A Paying Party shall, promptly upon request by a Recipient Party and to the extent:

(i) that it has not given an instruction pursuant to paragraph (d) above; and

(ii) that it has been provided with the necessary information by that Recipient Party,

give all requisite instructions to the bank with whom the trust account is held to transfer the relevant amount (together with any accrued interest) to that Recipient Party.

35.6 **Partial Payments**

(a) If the Facility Agent at any time receives a payment or payments (as the case may be) properly for the account of the Lenders under any Facility, and such payments are, when aggregated, insufficient to discharge the aggregate of all amounts then due and payable by the Obligors under that Facility, such Facility Agent shall apply such payment or payments, as applicable,

towards the obligations of the Obligors under the Finance Documents in respect of that Facility in the following order (subject to Clause 35.12 (*Subordinated Lenders*)):

(i) **first**, in or towards payment *pro rata* of any unpaid fees, costs and expenses of the Facility Agent, the Issuing Bank (other than any amount under Clause 7.2 (*Claims under a Letter of Credit*) or, to the extent relating to the reimbursement of a claim (as defined in Clause 7 (*Letters of Credit*)), Clause 7.3 (*Indemnities*)) under the Finance Documents in respect of that Facility;

(ii) **secondly**, in or towards payment *pro rata* of any accrued interest, fee or commission due but unpaid under those Finance Documents in respect of that Facility;

(iii) **thirdly**, in or towards payment *pro rata* of any principal due but unpaid under those Finance Documents and any amount due but unpaid under Clause 7.2 (*Claims under a Letter of Credit*) and Clause 7.3 (*Indemnities*) in each case, in respect of that Facility; and

(iv) **fourthly**, in or towards payment *pro rata* of any other sum due but unpaid under the Finance Documents in respect of that Facility.

(b) The Facility Agent shall, if so directed by the Finance Parties in respect of the relevant Facility, vary the order set out in paragraphs (a)(ii) to (iv) above.

(c) Paragraphs (a) and (b) above shall override any instruction or appropriation made by an Obligor.

35.7 **No Set–Off by the Obligors**

All payments to be made by an Obligor under the Finance Documents shall be calculated and be made without (and free and clear of any deduction for) set–off or counterclaim.

35.8 **Business Days**

(a) Any payment or calculation under the Finance Documents which is due to be made on or as of a day that is not a Business Day shall be made on the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not) and for the purposes of this Clause, "Business Day" means the Business Day applicable to the relevant payor or the person making the determination.

(b) During any extension of the due date for payment of any principal or Unpaid Sum under this Agreement interest is payable on the principal or Unpaid Sum at the rate payable on the original due date.

35.9 **Currency of account**

(a) Subject to paragraphs (b) to (e) of this Clause 35.9, the Base Currency is the currency of account and payment for any sum due from an Obligor under any Finance Document.

(b) A repayment of a Utilisation or Unpaid Sum or a part of a Utilisation or Unpaid Sum shall be made in the currency in which that Utilisation or Unpaid Sum is denominated, pursuant to this Agreement, on its due date.

(c) Each payment of interest shall be made in the currency in which the sum in respect of which the interest is payable was denominated, pursuant to this Agreement, when that interest accrued.

(d) Each payment in respect of costs, expenses or Taxes shall be made in the currency in which the costs, expenses or Taxes are incurred.

(e) Any amount expressed to be payable in a currency other than the Base Currency shall be paid in that other currency.

35.10 **Change of currency**

(a) Unless otherwise prohibited by law, if more than one currency or currency unit are at the same time recognised by the central bank of any country as the lawful currency of that country, then:

(i) any reference in the Finance Documents to, and any obligations arising under the Finance Documents in, the currency of that country shall be translated into, or paid in, the currency or currency unit of that country designated by the Facility Agent (after consultation with the Company); and

(ii) any translation from one currency or currency unit to another shall be at the official rate of exchange recognised by the central bank for the conversion of that currency or currency unit into the other, rounded up or down by the Facility Agent (acting reasonably).

(b) If a change in any currency of a country occurs, this Agreement will, to the extent the Facility Agent (acting reasonably and after consultation with the Company) specifies to be necessary, be amended to comply with any generally accepted conventions and market practice in the Relevant Market and otherwise to reflect the change in currency.

35.11 **Disruption to payment systems etc.**

If either the Facility Agent determines (in its discretion) that a Disruption Event has occurred or the Facility Agent is notified by the Company that a Disruption Event has occurred:

(a) the Facility Agent may, and shall if requested to do so by the Company, consult with the Company with a view to agreeing with the Company such changes to the operation or administration of the Facilities as the Facility Agent may deem necessary in the circumstances;

(b) the Facility Agent shall not be obliged to consult with the Company in relation to any changes mentioned in paragraph (a) above if, in its opinion, it is not practicable to do so in the circumstances and, in any event, shall have no obligation to agree to such changes;

(c) the Facility Agent may consult with the Finance Parties in relation to any changes mentioned in paragraph (a) above but shall not be obliged to do so if, in its opinion, it is not practicable to do so in the circumstances;

(d) any such changes agreed upon by the Facility Agent and the Company shall (whether or not it is finally determined that a Disruption Event has occurred) be binding upon the Parties as an

amendment to (or, as the case may be, waiver of) the terms of the Finance Documents notwithstanding the provisions of Clause 42 (*Amendments and Waivers*);

(e) the Facility Agent shall not be liable for any damages, costs or losses to any person, any diminution in value or any liability whatsoever (including, without limitation for negligence, gross negligence or any other category of liability whatsoever but not including any claim based on the fraud of the Facility Agent) arising as a result of its taking, or failing to take, any actions pursuant to or in connection with this Clause 35.11; and

(f) the Facility Agent shall notify the Finance Parties of all changes agreed pursuant to paragraph (d) above.

35.12 **Subordinated Lenders**

(a) In this Clause 35.12:

"**Distributed Amount**" means the amount distributed or paid to the Finance Parties or to the Facility Agent on behalf of the Finance Parties (or any of them) by the person responsible for the distribution of the assets (including any payments) of an Obligor which is insolvent or otherwise subject to insolvency or similar proceedings.

"**Maximum Amount**" means the amount which would, but for any reduction or prohibition of payment or other distribution due to the relationship between any Subordinated Lender and an Obligor, have been distributed or distributable to the Finance Parties or to the Facility Agent on behalf of the relevant Finance Parties (or any of them).

"**Shortfall Amount**" means the amount by which the Maximum Amount exceeds the Distributed Amount.

"**Subordinated Lender**" means any Lender which has a relationship with an Obligor which leads to a reduction or prohibition of payment (including payments in form of an insolvency quota) or other distribution (including the proceeds from the enforcement of any Transaction Security) by that Obligor (including any administrator or insolvency administrator) to that Lender, including, without limitation, by reason of that Lender: (i) being a member of the Group, Sponsor Affiliate or Affiliate of any of those mentioned before; or (ii) having acquired (directly or indirectly) any Commitment, participation in any Utilisation and/or any other participation rights (including by way of sub-participation) in any Facility and/or any other rights and obligations under the Finance Documents from a member of the Group, Sponsor Affiliate or Affiliate of any of those mentioned before in accordance with Clause 29 (Changes to the Lenders) or otherwise.

(b) If the Distributed Amount is less than the Maximum Amount, then, (b) upon application of the Distributed Amount (or any part thereof) pursuant to Clause 35.6 (*Partial payments*) towards the discharge of the obligations of an Obligor under the Finance Documents (including principal, interest, fees and commissions), the amount which would otherwise be required to be applied towards any such obligations under the Finance Documents owed to a Subordinated Lender shall be reduced by the Shortfall Amount attributable to that Subordinated Lender and such amount shall in addition be applied towards the discharge of the obligations (including principal, interest, fees, commission) towards the other Finance Parties pro rata in accordance with Clause 35.6 (*Partial payments*).

(c) Any risk of a shortfall between the Maximum Amount and the Distributed Amount (whether arising from the prohibition and/or reduction of payments to the Subordinated Lender and/or from any contestation (*Anfechtung*) under applicable law) shall for all purposes of the Finance Documents be borne by the relevant Subordinated Lender.

(d) A Subordinated Lender shall not have the benefit, but only the obligations, of any sharing provisions under the Finance Documents, including under Clause 34 (*Sharing among the Finance Parties*), and shall not be entitled to receive any payment, and the Facility Agent shall not be required to make any payment to any Subordinated Lender under or in connection with the Finance Documents in respect of the Shortfall Amount.

(e) Each Equitably Subordinated Lender agrees that to the extent an Equitably Subordinated Lender's Commitment, participation in any Loan or sub-participation or other agreement or arrangement relating to a Commitment, including, without limitation, following a Debt Purchase Transaction could result in the subordination of claims of any other Lenders under the Facilities pursuant to any law regarding subordination of shareholder loans or prejudice or adversely affect the Transaction Security or guarantee and indemnity provided pursuant to Clause 22 (*Guarantee and Indemnity*) (or their enforceability) in any way it shall be deemed not to be a secured party under any Transaction Security Documents and shall not benefit from the guarantee and/or indemnity provided pursuant to Clause 22 (*Guarantee and Indemnity*) and no amount owing to it under any Finance Document shall be deemed secured by the Transaction Security Documents.

36. DATA PROTECTION

Where any of the Finance Parties (the "**Processor**") has been supplied by any Obligor with personal data of third party individuals (which may include, but is not limited to, the identity of the Borrowers and the Guarantors and directors, officers, employees and agents thereof) to fulfil its "*know your customer*" or anti-money laundering obligations, such Obligor confirms that:

(a) it has provided such individuals with the information as is required under data protection legislation, which includes but is not limited to: the identity of the Processor, the purpose for processing, how the Processor and/or such individuals might exercise their rights under the legislation and that the Processor as a global corporate may transfer their data to countries that do not offer the same level of protection as England or a member of the European Union;

(b) it has obtained the consent of such individual to the collection, processing, use and disclosure of his or her personal data by the Processor as required under applicable data protection legislation; and

(c) it shall notify the Processor promptly upon becoming aware of the withdrawal by the relevant individual of such consent.

37. SET-OFF

(a) At any time when an Event of Default is continuing (but not at any other time), a Finance Party may set-off any matured obligation due from an Obligor under the Finance Documents (to the extent beneficially owned by that Finance Party) against any matured obligation owed by that Finance Party to that Obligor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Finance Party

may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off. Such Finance Party shall promptly notify the Facility Agent and the Company in writing of any set-off made pursuant to this Clause 37.

(b) Any credit balances taken into account by an Ancillary Lender when operating a net limit in respect of any overdraft under an Ancillary Facility shall on enforcement of the Finance Documents be applied first in reduction of the overdraft provided under that Ancillary Facility in accordance with its terms.

38. NOTICES

38.1 Communications in writing

Any communication to be made under or in connection with any Finance Document shall be made in writing and, unless otherwise stated, may be made by fax or letter.

38.2 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with any Finance Document is:

(a) in the case of the Company and the Facility Agent, that identified with its name below:

Company
Address: c/o Maples Corporate Services Limited
P.O. Box 309, Ugland House
Grand Cayman KY1-1104
Cayman Islands
Fax: +1 345 949 8080

with a copy to:

Address: GLOBALFOUNDRIES U.S. Inc.
400 Stone Break Rd. Ext.,
Malta
NY 12020
USA

Email: legal.notices@globalfoundries.com
Attention: General Counsel

Facility Agent
Address: EMEA Loans Agency
Citibank Europe Plc, UK Branch
5th Floor, Citigroup Centre
25 Canada Square
Canary Wharf

London E14 5LB

Tel: +44 20 7500 4402
Fax: +44 20 7492 3980

(b) in the case of each Lender, each Issuing Bank, each Ancillary Lender or any other Obligor, that notified in writing to the Facility Agent on or prior to the date on which it becomes a Party or any substitute address or fax number or department or officer as the Party may notify to the Facility Agent (or the Facility Agent may notify to the other Parties, if a change is made by the Facility Agent) by not less than seven (7) calendar days' notice.

38.3 **Delivery**

(a) Any communication or document made or delivered by one person to another under or in connection with any Finance Document will only be effective:

(i) if by way of fax, when received in legible form; or

(ii) if by way of letter, when it has been left at the relevant address or seven (7) calendar days after being deposited in the post postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under Clause 38.2 (*Addresses*), if addressed to that department or officer.

(b) Any communication or document to be made or delivered to the Facility Agent will be effective only when actually received by the Facility Agent and then only if it is expressly marked for the attention of the department or officer identified with the Facility Agent's signature below (or any substitute department or officer as the Facility Agent shall specify for this purpose).

(c) All notices from or to an Obligor in respect of any Finance Document shall be sent through the Facility Agent.

38.4 **Notification of address and fax number**

Promptly upon changing its own address or fax number, the Facility Agent shall notify the other Parties.

38.5 **Communication when Agent is Impaired Agent**

If the Facility Agent is an Impaired Agent the Parties may, instead of communicating with each other through the Facility Agent, communicate with each other directly and (while the Facility Agent is an Impaired Agent) all the provisions of the Finance Documents which require communications to be made or notices to be given to or by the Facility Agent shall be varied so that communications may be made and notices given to or by the relevant Parties directly. This provision shall not operate after a replacement Facility Agent has been appointed.

38.6 **Electronic communication**

(a) Subject to paragraph (c) below, any communication to be made between the Facility Agent and another Party may be made by electronic mail or other electronic means, if the Facility Agent and the relevant Party:

(i) agree that, unless and until notified to the contrary, this is to be an accepted form of communication (and the inclusion of electronic mail addresses in this Agreement or in any Transfer Certificate, Assignment Agreement or Accession Deed shall constitute such agreement);

(ii) notify each other in writing of their electronic mail address and/or any other information required to enable the transmission of information by that means; and

(iii) notify each other of any change to their address or any other such information supplied by them.

(b) Subject to paragraph (c) below, any electronic communication made between the Facility Agent and another Party will be effective only when actually received in readable form by the other and in the case of any electronic communication made by another Party to the Facility Agent only if it is addressed in such a manner as the Facility Agent shall specify for this purpose.

(c) It is hereby acknowledged that the Facility Agent will make information available to the Finance Parties by posting the information on IntraLinks or another similar electronic system (the "**Platform**"). Each Finance Party hereunder agrees that any document or notice posted on the Platform by the Facility Agent shall be deemed to have been delivered to the Finance Parties **provided that** the Facility Agent has notified each of the other Finance Parties that a new posting has been made. Each Party agrees that, to the extent reasonably practicable, any document delivered to the Facility Agent for purposes of compliance with any provision of this Agreement or for dissemination to any other Party shall be delivered to the Facility Agent in electronic form capable of being posted to the Platform. Each of the Parties understands and acknowledges that:

(i) the distribution of materials and other communications through an electronic medium is not necessarily secure and that there are confidentiality and other risks associated with such distribution and agrees and assumes the risks are associated with such electronic distribution, except to the extent caused by the wilful misconduct or gross negligence of the Facility Agent;

(ii) the Platform is provided "as is" and "as available" and neither the Facility Agent nor any of its affiliates warrants the accuracy or completeness of the information contained on the Platform or the adequacy of the Platform and each expressly disclaims liability for errors or omissions in the information contained on the Platform; and

(iii) no warranty of any kind, express, implied or statutory, including any warranty of merchantability, fitness for a particular purpose, non-infringement of third-party rights or freedom from viruses or other code defects is made by the Facility Agent or any of its affiliates in connection with the information contained on the Platform.

38.7 **Use of websites**

(a) The Company may satisfy its obligation under this Agreement to deliver any information in relation to those Lenders who accept this method of communication (the "**Website Lenders**") by posting this information onto an electronic website designated by the Company and the Facility Agent (the "**Designated Website**") if:

(i) the Facility Agent expressly agrees (after consultation with each of the relevant Lenders) that it will accept communication of the information by this method;

(ii) both the Company and the Facility Agent are aware of the address of and any relevant password specifications for the Designated Website; and

(iii) the information is in a format previously agreed between the Company and the Facility Agent.

If any Lender does not agree to the delivery of information electronically (a "**Paper Form Lender**"), then the Facility Agent shall notify the Company accordingly, and the Company shall supply the information to the Facility Agent (in sufficient copies for each Paper Form Lender) in paper form. In any event the Company shall supply the Facility Agent with at least one copy in paper form of any information required to be provided by it.

(b) The Facility Agent shall supply each Website Lender with the address of and any relevant password specifications for the Designated Website following designation of that website by the Company and the Facility Agent.

(c) The Company shall promptly upon becoming aware of its occurrence notify the Facility Agent if:

(i) the Designated Website cannot be accessed due to technical failure;

(ii) the password specifications for the Designated Website change;

(iii) any new information which is required to be provided under this Agreement is posted onto the Designated Website;

(iv) any existing information which has been provided under this Agreement and posted onto the Designated Website is amended; or

(v) the Company becomes aware that the Designated Website or any information posted onto the Designated Website is or has been infected by any electronic virus or similar software.

If the Company notifies the Facility Agent under paragraph (c)(i) or paragraph (c)(v) above, all information to be provided by the Company under this Agreement after the date of that notice shall be supplied in paper form unless and until the Facility Agent and each Website Lender is satisfied that the circumstances giving rise to the notification are no longer continuing.

(d) Any Website Lender may request, through the Facility Agent, one (1) paper copy of any information required to be provided under this Agreement which is posted onto the Designated Website. The Company shall comply with any such request within ten (10) Business Days.

38.8 **English language**

(a) Any notice given under or in connection with any Finance Document must be in English.

(b) All other documents provided under or in connection with any Finance Document must be:

(i) in English; or

(ii) if not in English, and if so required by the Facility Agent, accompanied by a certified English translation (at the expense of the Company) and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

39. CALCULATIONS AND CERTIFICATES

39.1 Accounts

In any litigation or arbitration proceedings arising out of or in connection with a Finance Document, the entries made in the accounts maintained by a Finance Party are *prima facie* evidence of the matters to which they relate.

39.2 Certificates and determinations

Any certification or determination by a Finance Party of a rate or amount under any Finance Document is prima facie evidence of the matters to which it relates.

39.3 Day count convention

Any interest, commission or fee accruing under a Finance Document will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of three hundred and sixty (360) calendar days or, in any case where the practice in the Relevant Market differs, in accordance with that market practice.

40. PARTIAL INVALIDITY

If, at any time, any provision of a Finance Document is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

41. REMEDIES AND WAIVERS

No failure to exercise, nor any delay in exercising, on the part of any Finance Party, any right or remedy under a Finance Document shall operate as a waiver of any such right or remedy or constitute an election to affirm any Finance Document. No election to affirm any Finance Document on the part of any Finance Party shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The

rights and remedies provided in each Finance Document are cumulative and not exclusive of any rights or remedies provided by law.

42. AMENDMENTS AND WAIVERS

42.1 Required consents

(a) Subject to Clause 42.2 (*All Lender matters*), Clause 42.3 (*Super Majority matters*) and Clause 42.4 (*Other exceptions*), any term of the Finance Documents may be amended, waived or modified only with the consent of the Majority Lenders and the Company and any such amendment, waiver or modification will be binding on all Parties.

(b) The Facility Agent may effect, on behalf of any Finance Party, any amendment or waiver permitted by this Clause 42.

(c) Without prejudice to the generality of paragraphs (c), (d) and (e) of Clause 32.7 (*Rights and discretions*), the Facility Agent may engage, pay for and rely on the services of lawyers in determining the consent level required for and effecting any amendment, waiver or consent under this Agreement.

(d) Each Obligor agrees to any such amendment or waiver permitted by this Clause 42 which is agreed to by the Company. This includes any amendment or waiver which would, but for this paragraph (d), require the consent of all of the Guarantors.

(e) Paragraph (c) of Clause 29.11 (*Pro rata interest settlement*) shall apply to this Clause 42.

42.2 All Lender matters

Subject to Clause 42.5 (*Replacement of Screen Rate*) and Clause 42.6 (*Structural Adjustment*), an amendment, waiver or consent of, or determination under, or in relation to, any term of any Finance Document that has the effect of changing or which relates to:

(a) the definition of "EU Obligor", "Majority Lenders", "Majority L/C Lenders", "Majority RCF Lenders", "Restricted Lender", "Super Majority Lenders" or "Sanctions" in Clause 1.1 (*Definitions*);

(b) permitting the Borrowers or Guarantors to assign its rights or delegate its duties under this Agreement other than in accordance with Clause 31 (*Changes to the Obligors*);

(c) an extension to the date of payment of any amount under the Finance Documents (other than in relation to Clause 10 (*Repayment*), Clause 11 (*Illegality, Voluntary Prepayment and Cancellation*) and Clause 12 (*Mandatory prepayment and cancellation*) or as permitted in accordance with paragraph (e) of Clause 42.3 (*Super Majority matters*));

(d) a reduction in the Margin or a reduction in the amount of any payment of principal or interest of any Utilisation;

(e) a change in currency of payment of any amount under the Finance Documents;

(f) other than as contemplated by Clause 2.2 (*Increase*), an increase in any Commitment or the Total Commitments, an extension of any Availability Period or any requirement that a

cancellation of Commitments reduces the Commitments of the Lenders rateably under the relevant Facility;

(g) any provision which expressly requires the consent of all the Lenders;

(h) paragraph (b) of Clause 24 (*Representations*) and Clauses 10 (*Sanctions*) and 18 (*Pari Passu Ranking*) of Schedule 12 (*Representations*) hereto, Clauses 3 (*Compliance with Laws*), 10 (*Pari Passu Ranking*), paragraph (b) of Clause 11 (*Sanctions*) of Schedule 14 (*Affirmative Covenants*), or Clause 5 (*Insolvency Events*) of Schedule 16 (*Events of Default*) in respect of any Borrower only; or

(i) Clause 2.3 (*Finance Parties' rights and obligations*), Clause 11.1 (*Illegality*), Clause 13.8 (*Application of prepayments*), Clause 29 (*Changes to the Lenders*) (to the extent further restricting the rights of the Lenders to assign, transfer or sub-participate their rights or obligations under the Finance Documents), Clause 34 (*Sharing among the Finance Parties*), Clause 36 (*Data Protection*), this Clause 42.2 and Clause 48 (*Governing law*),

shall not be made, or given, without the prior consent of all the Lenders.

42.3 **Super Majority matters**

Subject to Clause 42.5 (*Replacement of Screen Rate*) and Clause 42.6 (*Structural Adjustment*), an amendment, waiver or consent of, or determination under, or in relation to, any term of any Finance Document that has the effect of changing or which relates to:

(a) Clause 5 (*Insolvency Events*) in respect of an Obligor (other than any Borrower) or Clause 10 (*Repudiation*) of Schedule 16 (*Events of Default*);

(b) Clause 2 (*Breach of Other Obligations*) of Schedule 16 (*Events of Default*) hereto to the extent attributable to any breach of Clauses 1 (*Financial Statements*), 4 (*Notification of Default*) or Clause 6 (*Financial Covenants*) of Schedule 13 (*Information Covenants*), Clause 1 (*Maintenance of Existence*) or 7 (*Guarantor Coverage*) of Schedule 14 (*Affirmative Covenants*), 1 (*Negative Pledge*), 2 (*Disposals*), Clause 3 (*Merger*), 5 (*Financial Indebtedness*), 6 (*Acquisitions; Investments*), 7 (*Distribution*) or 9 (*Nature of Business*) of Schedule 15 (*Negative Covenants*) hereto;

(c) Clause 3 (*Misrepresentation*) of Schedule 16 (*Events of Default*) hereto to the extent attributable to any breach of Clauses 1 (*Status; Power*), 2 (*Legality; Validity and Enforceability*), 3 (*Authorisations*), 4 (*No Proceedings)*, 5 (*Non-Conflict*), 8 (*Solvency*), 10 (*Sanctions*), 14 (*Corrupt Practices Laws*) and 17 (*Private and Commercial Purposes*) of Schedule 12 (*Representations*) hereto;

(d) any waiver of any Event of Default or a Default arising under or relating to any provisions referred to in paragraphs (a), (b) and (c) above;

(e) any waiver of an Event of Default or Default arising under Clause 1 (*Non-Payment*) of Schedule 16 (*Events of Default*) hereto, including the postponement of any relevant payment due under this Agreement or decrease or forgiveness of any relevant amount due;

(f) (other than as expressly permitted by the provisions of any Finance Document) the nature or scope of the guarantee and indemnity granted under Clause 22 (*Guarantee and Indemnity*);

(g) the release of any guarantee and indemnity granted under Clause 22 (*Guarantee and Indemnity*);

(h) any provision which expressly requires the consent of the Super Majority Lenders; and

(i) any amendment or waiver having the effect of any of the foregoing,

shall not be made, or given, without the prior consent of the Super Majority Lenders.

42.4 **Other exceptions**

(a) An amendment or waiver which relates to the rights or obligations of the Facility Agent, the Arrangers, the Bookrunners, any Issuing Bank or any Ancillary Lender (each in their capacity as such) may not be effected without the consent of the Facility Agent, the Arrangers, the Bookrunners, such Issuing Bank or such Ancillary Lender, as the case may be.

(b) Notwithstanding Clause 42.2 (*All Lender matters*) and Clause 42.3 (*Super Majority matters*) any amendment or waiver (other than an amendment or waiver to which Clause 42.6 (*Structural Adjustment*) applies or would, but for this paragraph (b), apply) which:

(i) relates only to the rights or obligations applicable to a particular Loan, Facility or class of Lender; and

(ii) does not materially and adversely affect the rights or interests of Lenders in respect of any other Loan or Facility or another class of Lender,

may be made in accordance with this Clause 42 but as if references in this Clause 42 to the specified proportion of Lenders (including, for the avoidance of doubt, all the Lenders) whose consent would, but for this paragraph (b), be required for that amendment or waiver were to be that proportion of the Lenders participating in that particular Loan or forming part of that particular class of Lenders.

42.5 **Replacement of Screen Rate**

Subject to paragraph (a) of Clause 42.4 (*Other exceptions*) if any Screen Rate is not available for a currency which can be selected for a Loan, any amendment or waiver which relates to providing for another benchmark rate to apply in relation to that currency in place of that Screen Rate (or which relates to aligning any provision of a Finance Document to the use of that other benchmark rate) may be made with the consent of the Majority Lenders and the Company.

42.6 **Structural Adjustment**

(a) In this Agreement:

(i) "**Adjustment**" means:

(A) the introduction of a New Tranche into the Finance Documents;

(B) an increase in any Existing Tranche; or

(C) an extension of the Availability Period applicable to the Revolving Facility.

(ii) "**Consequential Amendment**" means, in relation to a Major Structural Adjustment, a Minor Structural Adjustment or a Payables Reduction, any amendment, waiver or consent of, or in relation to, any Finance Document consequential on, or required to implement or reflect, that Major Structural Adjustment, Minor Structural Adjustment or Payables Reduction.

(iii) "**Existing Tranche**" means any Commitment in respect of, and any Loan made under, an existing Facility.

(iv) "**Facilities Amount**" means at any time, the then aggregate (without double counting) of the amount in the Base Currency (as determined by the Agent by reference to the Facility Agent's Spot Rate of Exchange) of:

(A) the amounts borrowed and not repaid or prepaid; and

(B) the committed financial accommodation available (or potentially available),

under the Finance Documents and, in the case of paragraph (B) above, by reference to the application, at that time, of any relevant limitation on the potential amount of that financial accommodation.

(v) "**Facilities Increase**" means, in relation to an Adjustment, the extent to which the Facilities Amount immediately after that Adjustment would (as a result of that Adjustment and after taking account of any repayment of any Utilisation, or any cancellation of any Commitment, to be effected at the same time as, or immediately following that Adjustment) exceed the Facilities Amount immediately before that Adjustment.

(vi) "**Major Structural Adjustment**" means an amendment, waiver or consent that is not a Minor Structural Adjustment and that results in, or is intended to result in:

(A) an Adjustment where the indebtedness in respect of any New Tranche introduced into the Finance Documents ranks *pari passu* with the indebtedness in respect of the Facilities;

(B) the introduction of a New Tranche into the Finance Documents where the indebtedness in respect of that New Tranche ranks junior to the indebtedness in respect of the Facilities;

(C) the transfer of an Existing Tranche (or any participation in an Existing Tranche) into any New Tranche described in paragraph (A) or paragraph (B) above; or

(D) a change in currency of any Existing Tranche or of any amount payable under any Finance Document.

(vii) "**Minor Structural Adjustment**" means an amendment, waiver or consent that results in, or is intended to result in:

(A) an Adjustment which would not result in a Facilities Increase or a change in currency of an Existing Tranche or of any amount payable under any

Finance Document and where the indebtedness in respect of any New Tranche introduced pursuant to that Adjustment ranks *pari passu* with, or junior to, the indebtedness in respect of the Facilities; or

(B) the transfer of an Existing Tranche (or any participation in an Existing Tranche) into any New Tranche introduced pursuant to paragraph (A) above where each Lender which has an Existing Tranche (or a participation in that Existing Tranche) has the opportunity (but not the obligation) to transfer that Existing Tranche (or that participation) into that New Tranche.

(viii) "**New Tranche**" means any additional tranche, loan, facility or commitment.

(ix) "**Payables Reduction**" means an amendment, waiver or consent that results in, or is intended to result in:

(A) an extension to the date of payment of any amount under the Finance Documents; or

(B) a reduction in the Margin or a reduction in the amount of any payment of principal, interest, fees or commission payable.

(b) If any amendment, waiver or consent is a Major Structural Adjustment, Minor Structural Adjustment or Payables Reduction (or, in each case, a Consequential Amendment relating to it) and would otherwise require the prior consent of all the Lenders pursuant to Clause 42.2 (*All Lender matters*) or Clause 42.3 (*Super Majority matters*), that amendment, waiver or consent may be made with the consent of the Company and:

(i) in the case of a Major Structural Adjustment (or a Consequential Amendment relating to it):

(A) each Lender that assumes a New Tranche or an increased Existing Tranche, whose Existing Tranche (or participation) is being transferred, whose Commitment is subject to an extended Availability Period or that has an Existing Tranche (or participation), or is owed any amount, which is subject, in each case, to a change in currency; and

(B) the Majority Lenders;

(ii) in the case of a Minor Structural Adjustment (or a Consequential Amendment relating to it):

(A) each Lender that assumes a New Tranche or an increased Existing Tranche, whose Existing Tranche (or participation) is being transferred or whose Commitment is subject to an extended Availability Period; and

(B) the Majority Lenders; or

(iii) in the case of a Payables Reduction (or a Consequential Amendment relating to it):

(A) each Lender to whom any amount is owing in respect of which the date of payment is being extended or which is being reduced or whose Margin, fee or commission is being reduced; and

(B) the Majority Lenders.

42.7 **Excluded Commitments**

(a) If any Lender fails to respond to a request for a consent, waiver, amendment of or in relation to any term of any Finance Document or any other vote of Lenders under the terms of this Agreement within fifteen (15) Business Days of that request being made (unless, the Company and the Facility Agent agree to a longer time period in relation to any request):

(i) its Commitment(s) shall not be included for the purpose of calculating the Total Commitments under the relevant Facility/ies when ascertaining whether any relevant percentage (including, for the avoidance of doubt, unanimity) of Total Commitments has been obtained to approve that request; and

(ii) its status as a Lender shall be disregarded for the purpose of ascertaining whether the agreement of any specified group of Lenders has been obtained to approve that request.

(b) A Restricted Lender shall not have voting rights in relation to a specific vote of Lenders under the terms of this Agreement where the amendment or waiver relates to Clauses 10 (*Sanctions*) and/or 14 (*Corrupt Practices Laws*) of Schedule 12 (*Representations*) and/or Clause 11 (Sanctions) of Schedule 14 (*Affirmative Covenants*) to the extent that such Restricted Lender does not have the benefit of such provisions, and in such case:

(i) its Commitment(s) shall not be included for the purpose of calculating the Total Commitments under the relevant Facility/ies when ascertaining whether any relevant percentage (including, for the avoidance of doubt, unanimity) of Total Commitments has been obtained; and

(ii) its status as Lender shall be disregarded for the purpose of ascertaining whether the agreement of any specified group of Lenders has been obtained.

42.8 **Replacement of Lender**

(a) The Company may, in the circumstances set out in paragraph (a) of Clause 11.1 (*Illegality*) or Clause 11.4 (*Right of cancellation and repayment in relation to a single Lender*), on ten (10) Business Days' prior notice to the Facility Agent and that Lender, replace that Lender by requiring that Lender to (and, to the extent permitted by law, that Lender shall) transfer pursuant to Clause 29 (*Changes to the Lenders*) all (and not part only) of its rights and obligations under the Finance Documents to a Lender or other Acceptable Transferee which is acceptable (in the case of any transfer of a Revolving Facility Commitment) to the relevant Issuing Bank and which:

(i) provides all "*know your customer*" information required by the Facility Agent in accordance with paragraph (b) of Clause 29.6 (*Procedure for Transfer*) or paragraph (b) of Clause 29.7 (*Procedure for Assignment*); and

(ii) confirms its willingness to assume and does assume all the obligations of the transferring Lender in accordance with Clause 29 (*Changes to the Lenders*),

for a purchase price in cash or other cash payment payable at the time of the transfer equal to the outstanding principal amount of such Lender's participation in the outstanding Utilisations and all accrued interest and/or Letter of Credit fees (to the extent that the Facility Agent has not given a notification under Clause 29.11 (*Pro rata interest settlement*)), Break Costs and other amounts payable in relation thereto under the Finance Documents.

(b) The replacement of a Lender pursuant to paragraph (a) above shall be subject to the following conditions:

(i) the Company shall have no right to replace the Facility Agent;

(ii) neither the Facility Agent nor any Lender shall have any obligation to find a Replacement Lender;

(iii) the transfer must take place no later than ninety (90) calendar days after the notice referred to in paragraph (a) above;

(iv) in no event shall the Lender replaced under paragraph (a) above be required to pay or surrender any of the fees received by such Lender pursuant to the Finance Documents; and

(v) an Obligor shall pay (at the time of the relevant transfer under this Clause) to the transferring Lender the amount of its reasonable and documented costs and expenses (including legal fees but excluding any allocation of overhead or internal costs) incurred by it in effecting such transfer.

42.9 **Disenfranchisement of Defaulting Lenders**

(a) In ascertaining:

(i) the Majority Lenders, Majority L/C Lenders, Majority RCF Lenders or the Super Majority Lenders; or

(ii) whether:

(A) any given percentage (including, for the avoidance of doubt, unanimity) of the Total Commitments under the relevant Facility/ies; or

(B) the agreement of any specified group of Lenders,

has been obtained to approve any request for a consent, waiver, amendment or other vote of Lenders under the Finance Documents,

each Defaulting Lender's Commitment(s) shall not be included for the purpose of calculating the Total Commitments under the relevant Facility/ies when ascertaining whether any relevant percentage (including, for the avoidance of doubt, unanimity) of Total Commitments has been obtained to approve that request and such Defaulting Lender's status as a Lender shall be

disregarded for the purpose of ascertaining whether the agreement of any specified group of Lenders has been obtained to approve that request.

(b) For the purposes of this Clause 42.9, the Facility Agent may assume that the following Lenders are Defaulting Lenders:

(i) any Lender which has notified the Facility Agent that it has become a Defaulting Lender;

(ii) any Lender in relation to which it is aware that any of the events or circumstances referred to in paragraphs (a) or (b) of the definition of "Defaulting Lender" has occurred,

unless it has received notice to the contrary from the Lender concerned (together with any supporting evidence reasonably requested by the Facility Agent) or the Facility Agent is otherwise aware that the Lender has ceased to be a Defaulting Lender.

42.10 **Replacement of a Defaulting Lender**

(a) The Company may, at any time a Lender has become and continues to be a Defaulting Lender, by giving ten (10) Business Days' prior written notice to such Lender and the Facility Agent, replace such Lender by requiring such Lender to (and such Lender shall) transfer pursuant to Clause 29 (*Changes to the Lenders*) all (and not part only) of its rights and obligations under this Agreement to a Lender or other bank or financial institution (a "**Replacement Lender**") selected by the Company, and which (unless the Facility Agent is an Impaired Agent) is acceptable to the Facility Agent (acting reasonably), which confirms its willingness to assume and does assume all the obligations or all the relevant obligations of the transferring Lender (including the assumption of the transferring Lender's participations or unfunded participations (as the case may be) on the same basis as the transferring Lender) for a purchase price in cash payable at the time of transfer equal to the outstanding principal amount of such Lender's participation in the outstanding Loans and all accrued interest, Break Costs and other amounts payable in relation thereto under the Finance Documents.

(b) Any transfer of rights and obligations of a Defaulting Lender pursuant to this Clause shall be subject to the following conditions:

(i) the Company shall have no right to replace the Facility Agent;

(ii) neither the Facility Agent nor the Defaulting Lender shall have any obligation to the Company to find a Replacement Lender;

(iii) the transfer must take place no later than ninety (90) calendar days after the notice referred to in paragraph (a) above;

(iv) in no event shall the Defaulting Lender be required to pay or surrender to the Replacement Lender any of the fees received by the Defaulting Lender pursuant to the Finance Documents; and

(v) the Company shall pay (at the time of the relevant transfer under this Clause) to the Defaulting Lender the amount of its reasonable and documented costs and expenses

(including legal fees but excluding any allocation of overhead or internal costs) incurred by it in effecting such transfer.

43. CONFIDENTIAL INFORMATION

43.1 Confidentiality

Save as permitted pursuant to the terms of the Finance Documents, any information, reports or documents furnished pursuant to the Finance Documents to the Finance Parties shall be kept confidential by the recipient and the Finance Parties agree not to disclose to any third party any of the information, reports or documents supplied by, or on behalf of, the Company under the Finance Documents without the prior consent of the Company (such consent not to be unreasonably withheld or delayed).

43.2 Exceptions

(a) The provisions of Clause 43.1 (*Confidentiality*) shall not apply:

(i) to any information disclosed by a Finance Party to another Finance Party;

(ii) to any information which has already become public knowledge;

(iii) to prohibit disclosure of any information to the extent that the recipient is required to disclose the same pursuant to any law or order of any court or order of any governmental agency or regulatory or self-regulatory body or securities exchange with whose instructions the recipient habitually complies or by any applicable regulations;

(iv) to prohibit the supply of any information to its Affiliates and any of its or their officers, directors, employees, auditors, insurance advisors, tax advisors or professional advisers of any of the Finance Parties, a potential transferee, assignee or sub-participant if (A) in respect of any such Affiliate, auditor, insurance advisor, tax advisor or professional advisor, potential transferee, assignee or sub-participant, it has signed a Confidentiality Agreement or otherwise agreed to keep information confidential on terms reasonably acceptable to the Company; or (B) in respect of any other person, that person is informed of its confidential nature and that some or all of such information may be price-sensitive information;

(v) to prohibit the supply of any information to any insurer (solely in respect of credit risk insurance for a lending transaction) **provided that** (A) the relevant Lender will give prior notification of such proposed disclosure to the Company but, for the avoidance of doubt, will not be required to disclose the identity of such insurer, and (B) the relevant Lender confirms to the Company prior to such disclosure that the relevant insurer has entered into a confidentiality agreement with it on substantially the same terms as the Confidentiality Undertaking or as otherwise agreed with the Company;

(vi) to any information disclosed to any person to whom or for whose benefit that Finance Party charges, assigns or otherwise creates Security (or may do so) pursuant to Clause 29.10 (*Security over Lenders' rights*); or

(vii) to any third party who has signed a confidentiality agreement on terms reasonably acceptable to the Company.

(b) The Finance Parties will not be precluded in any manner or in any way from providing, arranging or participating in any financing for, providing advisory or other services to third parties in, or acting as principal in, transactions which may involve the Company, any member of the Group or any other party, **provided that** the relevant Finance Party does not disclose any Confidential Information in connection therewith.

43.3 **Disclosure to numbering service providers**

(a) Any Finance Party may disclose to any national or international numbering service provider appointed by that Finance Party to provide identification numbering services in respect of this Agreement, the Facilities and/or one or more Obligors the following information:

(i) names of Obligors;

(ii) country of domicile of Obligors;

(iii) place of incorporation of Obligors;

(iv) the Signing Date;

(v) Clause 48 (*Governing law*);

(vi) the names of the Facility Agent and the Arrangers;

(vii) date of each amendment and restatement of this Agreement;

(viii) amounts of, and names of, the Facilities (and any tranches);

(ix) amount of Total Commitments;

(x) currencies of the Facilities;

(xi) type of Facilities;

(xii) ranking of Facilities;

(xiii) Final Maturity Date for Facilities;

(xiv) changes to any of the information previously supplied pursuant to paragraphs (i) to (xiii) above; and

(xv) such other information agreed between such Finance Party and the Company,

to enable such numbering service provider to provide its usual syndicated loan numbering identification services.

(b) The Parties acknowledge and agree that each identification number assigned to this Agreement, the Facilities and/or one or more Obligors by a numbering service provider and

the information associated with each such number may be disclosed to users of its services in accordance with the standard terms and conditions of that numbering service provider.

(c) Each Obligor represents that none of the information set out in paragraphs (i) to (xv) of paragraph (a) above is, nor will at any time be, unpublished price-sensitive information.

(d) The Facility Agent shall notify the Company and the other Finance Parties of:

(i) the name of any numbering service provider appointed by the Facility Agent in respect of this Agreement, the Facilities and/or one or more Obligors; and

(ii) the number or, as the case may be, numbers assigned to this Agreement, the Facilities and/or one or more Obligors by such numbering service provider.

43.4 **Entire agreement**

This Clause 43 constitutes the entire agreement between the Parties in relation to the obligations of the Finance Parties under the Finance Documents regarding Confidential Information and supersedes any previous agreement, whether express or implied, regarding Confidential Information.

43.5 **Inside information**

Each of the Finance Parties acknowledges that some or all of the Confidential Information is or may be price-sensitive information and that the use of such information may be regulated or prohibited by applicable legislation including securities law relating to insider dealing and market abuse and each of the Finance Parties undertakes not to use any Confidential Information for any unlawful purpose.

43.6 **Notification of disclosure**

Each of the Finance Parties agrees (to the extent permitted by law and regulation) to inform the Company:

(a) of the circumstances of any disclosure of Confidential Information made pursuant to paragraph (a)(iii) of Clause 43.2 (*Exceptions*) except where such disclosure is made to any of the persons referred to in that paragraph during the ordinary course of its supervisory or regulatory function; and

(b) upon becoming aware that Confidential Information has been disclosed in breach of this Clause 43.

43.7 **Survival of Obligations**

The obligations in this Clause 43 are continuing and, in particular, shall survive and remain binding on each Finance Party for a period of two (2) years from the earlier of:

(a) the date on which all amounts payable by the Obligors under or in connection with the Finance Documents have been paid in full and all Commitments have been cancelled or otherwise cease to be available; and

(b) the date on which such Finance Party otherwise ceases to be a Finance Party.

44. CONFIDENTIALITY OF FUNDING RATES

44.1 Confidentiality and disclosure

(a) The Facility Agent and each Obligor agree to keep each Funding Rate confidential and not to disclose it to anyone, save to the extent permitted by paragraphs (b) and (c) below.

(b) The Facility Agent may disclose:

(i) any Funding Rate to the relevant Borrower pursuant to Clause 14.4 (*Notification of rates of interest*); and

(ii) any Funding Rate to any person appointed by it to provide administration services in respect of one or more of the Finance Documents to the extent necessary to enable such service provider to provide those services if the service provider to whom that information is to be given has entered into a confidentiality agreement substantially in the form of the LMA Master Confidentiality Undertaking for Use With Administration/Settlement Service Providers or such other form of confidentiality undertaking agreed between the Facility Agent and the relevant Lender.

(c) The Facility Agent may disclose any Funding Rate, and each Obligor may disclose any Funding Rate, to:

(i) any of its Affiliates and any of its or their officers, directors, employees, professional advisers, auditors, partners and Representatives if any person to whom that Funding Rate is to be given pursuant to this paragraph (i) is informed in writing of its confidential nature and that it may be price-sensitive information except that there shall be no such requirement to so inform if the recipient is subject to professional obligations to maintain the confidentiality of that Funding Rate or is otherwise bound by requirements of confidentiality in relation to it;

(ii) any person to whom information is required or requested to be disclosed by any court of competent jurisdiction or any governmental, banking, taxation or other regulatory authority or similar body, the rules of any relevant stock exchange or pursuant to any applicable law or regulation if the person to whom that Funding Rate is to be given is informed in writing of its confidential nature and that it may be price-sensitive information except that there shall be no requirement to so inform if, in the opinion of the Facility Agent or the relevant Obligor, as the case may be, it is not practicable to do so in the circumstances;

(iii) any person to whom information is required to be disclosed in connection with, and for the purposes of, any litigation, arbitration, administrative or other investigations, proceedings or disputes if the person to whom that Funding Rate is to be given is informed in writing of its confidential nature and that it may be price-sensitive information except that there shall be no requirement to so inform if, in the opinion of the Facility Agent or the relevant Obligor, as the case may be, it is not practicable to do so in the circumstances; and

(iv) any person with the consent of the relevant Lender.

44.2 **Related obligations**

(a) The Facility Agent and each Obligor acknowledge that each Funding Rate is or may be price-sensitive information and that its use may be regulated or prohibited by applicable legislation including securities law relating to insider dealing and market abuse and the Facility Agent and each Obligor undertake not to use any Funding Rate for any unlawful purpose.

(b) The Facility Agent and each Obligor agree (to the extent permitted by law and regulation) to inform the relevant Lender:

(i) of the circumstances of any disclosure made pursuant to paragraph (c)(i) of Clause 44.1 (*Confidentiality and disclosure*) except where such disclosure is made to any of the persons referred to in that paragraph during the ordinary course of its supervisory or regulatory function; and

(ii) upon becoming aware that any information has been disclosed in breach of this Clause 44.

44.3 **No Event of Default**

No Event of Default will occur under Clause 2 (*Breach of Other Obligations*) of Schedule 16 (*Events of Default*) by reason only of an Obligor's failure to comply with this Clause 44.

45. **DISCLOSURE OF LENDER DETAILS BY FACILITY AGENT**

45.1 **Supply of Lender details to the Company**

The Facility Agent shall provide to the Company, within five (5) Business Days of a request by the Company (but no more frequently than once per calendar quarter), a list (which may be in electronic form) setting out the names of the Lenders as at the date of that request, their respective Commitments, the address and fax number (and the department or officer, if any, for whose attention any communication is to be made) of each Lender for any communication to be made or document to be delivered under or in connection with the Finance Documents, the electronic mail address and/or any other information required to enable the transmission of information by electronic mail or other electronic means to and by each Lender to whom any communication under or in connection with the Finance Documents may be made by that means and the account details of each Lender for any payment to be distributed by the Facility Agent to that Lender under the Finance Documents.

45.2 **Supply of Lender details at Company's direction**

(a) The Facility Agent shall, at the request of the Company, disclose the identity of the Lenders and the details of the Lenders' Commitments to any:

(i) other Party or any other person if that disclosure is made to facilitate, in each case, a refinancing of the Financial Indebtedness arising under the Finance Documents or a material waiver or amendment of any term of any Finance Document; and

(ii) member of the Group.

(b) Subject to paragraph (c) below, the Company shall procure that the recipient of information disclosed pursuant to paragraph (a) above shall keep such information confidential and shall

not disclose it to anyone and shall ensure that all such information is protected with security measures and a degree of care that would apply to the recipient's own confidential information.

(c) The recipient may disclose such information to any of its officers, directors, employees, professional advisers, auditors and partners as it shall consider appropriate if any such person is informed in writing of its confidential nature, except that there shall be no such requirement to so inform if that person is subject to professional obligations to maintain the confidentiality of the information or is otherwise bound by duties of confidentiality in relation to the information.

46. COUNTERPARTS

Each Finance Document may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of the Finance Document.

47. USA PATRIOT ACT

Each Lender hereby notifies each Obligor that pursuant to the requirements of the USA Patriot Act, such Lender is required to obtain, verify and record information that identifies such Obligor, which information includes the name and address of such Obligor and other information that will allow such Lender to identify such Obligor in accordance with the USA Patriot Act

48. GOVERNING LAW

This Agreement and any non-contractual obligations arising out of or in connection with it are governed by English law.

49. CONTRACTUAL RECOGNITION OF BAIL-IN

Notwithstanding any other term of any Finance Document or any other agreement, arrangement or understanding between the Parties, each Party acknowledges and accepts that any liability of any Party to any other Party under or in connection with the Finance Documents may be subject to Bail-In Action by the relevant Resolution Authority and acknowledges and accepts to be bound by the effect of:

(a) any Bail-In Action in relation to any such liability, including (without limitation):

(i) a reduction, in full or in part, in the principal amount, or outstanding amount due (including any accrued but unpaid interest) in respect of any such liability;

(ii) a conversion of all, or part of, any such liability into shares or other instruments of ownership that may be issued to, or conferred on, it; and

(iii) a cancellation of any such liability; and

(b) a variation of any term of any Finance Document to the extent necessary to give effect to any Bail-In Action in relation to any such liability.

50. ENFORCEMENT

50.1 Jurisdiction of English courts

The Parties agree that the courts of England shall have exclusive jurisdiction to hear and determine any suit, action or proceedings and to settle any dispute, controversy or claim arising out of or in connection with this Agreement (including a dispute, controversy or claim regarding the existence, validity or termination of this Agreement or any non-contractual obligation arising out of or in connection with this Agreement) (a "**Dispute**").

50.2 Appropriate forum

Each of the Parties hereby irrevocably and unconditionally submit and consent to the exclusive jurisdiction of the courts of England in respect of any Dispute and agree not to claim that any such court is not a convenient or appropriate forum.

50.3 Non–exclusive submission

Notwithstanding Clause 50.1 (*Jurisdiction of English courts*) and Clause 50.2 (*Appropriate forum*) above, no Finance Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Finance Parties may take concurrent proceedings in any number of jurisdictions.

50.4 Service of Process

(a) Without prejudice to any other mode of service allowed under any relevant law, each Obligor (other than an Obligor incorporated in England and Wales):

(i) confirms that it has irrevocably appointed Law Debenture Corporate Services Limited of Fifth Floor, 100 Wood Street, London EC2V 7EX, United Kingdom as its agent for service of process in relation to any proceedings before the English courts in connection with any Finance Document; and

(ii) agrees that failure by an agent for service of process to notify the relevant Obligor of the process will not invalidate the proceedings concerned.

(b) If any person appointed as an agent for service of process is unable for any reason to act as agent for service of process, the Company (on behalf of all the Obligors) must promptly (and in any event within ninety (90) days of such event taking place) appoint another agent on terms acceptable to the Facility Agent. Failing this, the Facility Agent may appoint another agent for this purpose.

THIS AGREEMENT has been entered into on the date stated at the beginning of this Agreement.

SCHEDULE 1

THE ORIGINAL PARTIES

Part A

Original Guarantors

1. GLOBALFOUNDRIES Inc.
2. GLOBALFOUNDRIES Dresden Module One LLC & Co. KG
3. GLOBALFOUNDRIES Dresden Module Two LLC & Co. KG
4. GLOBALFOUNDRIES Singapore Pte. Ltd.
5. GLOBALFOUNDRIES U.S. Inc.
6. GLOBALFOUNDRIES Netherlands Holding B.V.
7. GLOBALFOUNDRIES Management Services Limited Liability Company & Co. KG
8. GLOBALFOUNDRIES Dresden Module One LLC
9. GLOBALFOUNDRIES Dresden Module One Holding GmbH
10. GLOBALFOUNDRIES Dresden Module Two LLC
11. GLOBALFOUNDRIES Dresden Module Two Holding GmbH
12. GLOBALFOUNDRIES (Netherlands) Cooperatief U.A.
13. GLOBALFOUNDRIES Netherlands B.V.
14. GLOBALFOUNDRIES U.S. 2 LLC

Part B

Original Borrowers

1. GLOBALFOUNDRIES Inc.

2. GLOBALFOUNDRIES Singapore Pte. Ltd.

3. GLOBALFOUNDRIES U.S. Inc.

Part C

Original Lenders

Name of Original Lenders	Revolving Facility Commitments	Additional L/C Facility Commitments
Bank of America, N.A.	$25,000,000	–
Citibank, N.A.	$70,000,000	$20,000,000
DBS Bank Ltd.	$90,000,000	–
JPMorgan Chase Bank, N.A.	$50,000,000	–
Total Commitments	$235,000,000	$20,000,000

SCHEDULE 2

CONDITIONS PRECEDENT

Part A

Conditions Precedent to Financial Close

1. **Finance Documents**

Copies of each of the following Finance Documents duly executed and delivered by each of the parties thereto:

(a) this Agreement;

(b) the Subordination Deed;

(c) any applicable Fee Letters; and

(d) the Closing Date Security Documents.

2. **Obligors**

(a) A copy of the constitutional documents of each Original Obligor (including for any German Original Obligor (i) an up-to-date electronic chronological commercial register extract (*elektronischer chronologischer Handelsregisterausdruck*), its articles of association (*Satzung*) or partnership agreement (*Gesellschaftsvertrag*), as applicable, as well as copies of any by-laws and (iii) if applicable, its list of shareholders).

(b) A copy of a good standing certificate with respect to each US Obligor, issued as of a recent date by the Secretary of State or other appropriate official of each US Obligor's jurisdiction of incorporation or organisation.

(c) A copy of a resolution of in respect of any Original Obligor (other than in respect of a German Original Obligor), its board of directors or board of managers, as applicable:

(i) approving the terms of, and the transactions contemplated by, the Finance Documents to which it is a party and resolving that it execute the Finance Documents to which it is a party;

(ii) authorising a specified person or persons to execute the Finance Documents to which it is a party on its behalf;

(iii) authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices (including, if relevant, any Utilisation Request) to be signed and/or despatched by it under or in connection with the Finance Documents to which it is a party;

(iv) authorising the Company to act as obligors' agent in connection with the Finance Documents.

(d) A specimen of the signature of person(s) authorised by the resolution referred to in paragraph (c) above or otherwise.

(e) If required, a copy of a resolution of the holders of the issued shares and/or interests, as applicable in each Original Obligor (and/or, if applicable, by the supervisory board (*Aufsichtsrat*) and/or advisory board (*Beirat*) of such German Original Obligor), approving the terms of, and the transactions contemplated by, the Finance Documents to which the Original Obligor is a party.

(f) A certificate of each Original Obligor (other than in respect of a German Original Obligor) (signed by an Authorised Officer) confirming that borrowing, securing or guaranteeing, as appropriate, the Total Commitments would not cause any borrowing, securing, guaranteeing or similar limit binding on such Original Obligor to be exceeded.

(g) A certificate of an Authorised Officer of the relevant Original Obligor certifying that each copy document relating to it specified in this paragraph 2 of Part A of Schedule 2 is correct, complete and in full force and effect as at a date no earlier than the Signing Date.

(h) A certificate of good standing of the Company as issued by the Registrar of Companies in the Cayman Islands and dated within thirty (30) days of the date of this Agreement.

(i) A certified copy of the updated register of mortgages and charges of the Company, updated to reflect any Security granted by the Company pursuant to the Finance Documents.

3. **Legal Opinions**

(a) A legal opinion of the following legal advisers to the Arrangers, as to the enforceability of the Finance Documents:

(i) Clifford Chance LLP as to the law of England & Wales;

(ii) Clifford Chance LLP as to New York law;

(iii) Clifford Chance Pte. Ltd. as to Singaporean law;

(iv) Clifford Chance Deutschland LLP as to German law,

each in a form reasonably satisfactory to the Original Lenders.

(b) A legal opinion of the following legal advisers to the Company and the Original Guarantors:

(i) Shearman & Sterling LLP as to German law;

(ii) Maples and Calder as to Cayman Islands law;

(iii) Dentons Rodyk & Davidson LLP as to Singaporean law;

(iv) Hogan Lovells International LLP as to Dutch law; and

(v) Richards, Layton & Finger, P.A. as to Delaware law,

each in a form reasonably satisfactory to the Original Lenders.

4. **Other documents and evidence**

(a) Evidence that the Existing BAML Facility and the Existing Citibank Facility have each been repaid and cancelled in full.

(b) Evidence that any process agent referred to in Clause 50.4 (*Service of Process*) has accepted its appointment.

(c) Copies of (A) the audited and consolidated financial statements and unaudited consolidating income statement and balance sheet for the financial year ended 31 December 2018 for the Company; (B) the unaudited and consolidated financial statements and unaudited consolidating income statement and balance sheet for the quarter ended 30 June 2019 for the Company and (C) the audited and consolidated financial statements for the financial year ended 31 December 2018 for GLOBALFOUNDRIES Singapore Pte. Ltd..

(d) A certificate substantially in the form of Schedule 9 (*Form of Compliance Certificate*) confirming compliance with Clause 7 (*Guarantor Coverage*) of Schedule 14 (*Affirmative Covenants*) and the financial covenants, in each case, as of 30 June 2019.

5. **Fees, Costs and Expenses**

Evidence that the fees, costs and expenses then due from the Company pursuant to Clause 17 (*Fees*) have been paid or will be paid by or on the date of Financial Close in form and substance satisfactory to the Facility Agent or the Facility Agent has waived the requirement of receipt of such evidence.

6. **Ancillary Collateral Trust Agreement Documentation**

(a) The Reaffirmation Agreement.

(b) An additional secured debt designation in respect of the Collateral Trust Agreement executed by the Company.

Part B

Conditions Precedent required to be delivered by an Additional Guarantor

1. An Accession Deed, duly executed by the Additional Guarantor and the Company.

2. A copy of the constitutional documents of the Additional Guarantor. (including for any German Additional Guarantor (i) an up-to-date electronic chronological commercial register extract (*elektronischer chronologischer Handelsregisterausdruck*), its articles of association (*Satzung*) or partnership agreement (*Gesellschaftsvertrag*), as applicable, as well as copies of any by-laws and (iii) if applicable, its list of shareholders and including, in the case of a German Additional Guarantor in the form a partnership with limited liability (*Kommanditgesellschaft*), the constitutional documents of its general partner).

3. A copy of a good standing certificate with respect to each Additional Guarantor whose jurisdiction of organization is a state of the U.S. or the District of Columbia, issued as of a recent date by the Secretary of State or other appropriate official of such Additional Guarantor's jurisdiction of incorporation or organisation

4. A copy of a resolution of the board of directors or similar managing body of the Additional Guarantor (other than in respect of a German Additional Guarantor):

   (a) approving the terms of, and the transactions contemplated by, the Accession Deed and the Finance Documents and resolving that it execute the Accession Deed;

   (b) authorising a specified person or persons to execute the Accession Deed on its behalf; and

   (c) authorising a specified person or persons, on its behalf, to sign and/or despatch all other documents and notices to be signed and/or despatched by it under or in connection with the Finance Documents.

5. A specimen of the signature of person(s) authorised by the resolution referred to in paragraph 4 above or otherwise.

6. If required, a copy of a resolution of the holders of the issued shares and/ or interest of the Additional Guarantor (and/or, if applicable, by the supervisory board (*Aufsichtsrat*) and/or advisory board (*Beirat*) of such German Additional Guarantor), approving the terms of, and the transactions contemplated by, the Finance Documents to which the Additional Guarantor is a party.

7. A certificate of the Additional Guarantor (other than in respect of a German Additional Guarantor) (signed by a director or chief financial officer) confirming that guaranteeing the Total Commitments would not cause any guaranteeing or similar limit binding on it to be exceeded.

8. A certificate of an Authorised Officer of the Additional Guarantor certifying that each copy document listed in this Part B of Schedule 2 is correct, complete and in full force and effect as at a date no earlier than the date of the Accession Deed.

9. If available in the English language, the latest annual audited Financial Statements of the Additional Guarantor.

10. A legal opinion of the legal advisers to the Facility Agent in England.

11. If the Additional Guarantor is incorporated or formed in a jurisdiction other than England and Wales, a legal opinion of the legal advisers to the Facility Agent (or, if consistent with market practice, the legal advisers to the Obligors) in the jurisdiction in which the Additional Guarantor is incorporated.

12. If the proposed Additional Guarantor is incorporated in a jurisdiction other than England and Wales, evidence that the process agent specified in Clause 50.4 (*Service of Process*) has accepted its appointment in relation to the proposed Additional Guarantor.

SCHEDULE 3

REQUESTS AND NOTICES

Part A

Utilisation Request
Loans

From: GLOBALFOUNDRIES Inc. (as the "**Company**")

To: [●] as Facility Agent

Dated: [●]

Dear Sirs

GLOBALFOUNDRIES Inc. – Revolving and L/C Facilities Agreement
dated [●] 2019 (the "Facilities Agreement")

1. We refer to the Facilities Agreement. This is a Utilisation Request. Terms defined in the Facilities Agreement have the same meaning in this Utilisation Request unless given a different meaning in this Utilisation Request.

2. We wish to borrow an Loan on the following terms:

   Proposed Utilisation Date: [●] (or, if that is not a Business Day under this Agreement, the next Business Day under this Agreement)

   Facility: Revolving Facility

   Borrower: [*Company*] / [*Approved Borrower*]

   Currency of Loan [*Dollars*] / [*Euros*]

   Total Amount: [●] or, if less, the Available Facility

   Interest Period: [●]

3. We confirm that each condition specified in Clause 4.2 (*Further conditions precedent*) of the Facilities Agreement is satisfied on the date of this Utilisation Request.

4. The proceeds of this Loan should be credited to [*insert account details for the relevant account*].

5. This Utilisation Request is irrevocable.

Yours faithfully

……
authorised signatory for
GLOBALFOUNDRIES Inc.

Part B

Utilisation Request
Letters of Credit

From: [*Borrower*]/[*Company*]*

To: [●] as Facility Agent

Dated:

Dear Sirs

GLOBALFOUNDRIES Inc. – Revolving and L/C Facilities Agreement
dated [●] 2019 (the "Facilities Agreement")

1. We refer to the Facilities Agreement. This is a Utilisation Request. Terms defined in the Facilities Agreement have the same meaning in this Utilisation Request unless given a different meaning in this Utilisation Request.

2. We wish to arrange for a Letter of Credit to be issued by the Issuing Bank specified below (which has agreed to do so) on the following terms:

(a)	Borrower:	[*Company*] / [●][1]
(b)	Issuing Bank:	[●]
(c)	Proposed Utilisation Date:	[●] (or, if that is not a Business Day, the next Business Day)
(d)	Facility to be utilised:	[*Revolving Facility* / *Additional L/C Facility*]
(e)	Currency of Letter of Credit:	[●]
(f)	Amount:	[●] or, if less, the Available Facility in relation to the [*Revolving Facility* / *Additional L/C Facility*]
(g)	Beneficiary:	**[●]**
(h)	Term:	[●]
(i)	Expiry Date:	[●]

3. We confirm that each condition specified in paragraph (b) of Clause 6.5 (*Issue of Letters of Credit*) of the Facilities Agreement is satisfied on the date of this Utilisation Request.

4. We attach a copy of the proposed Letter of Credit.

5. The purpose of this proposed Letter of Credit is **[●]**.

[1] This may be the Company, GLOBALFOUNDRIES U.S. Inc. (for an L/C to be issued under the Additional L/C Facility only) or shall otherwise be an Approved Borrower.

6. This Utilisation Request is irrevocable.

7. [*Specify delivery instructions*].

Yours faithfully

……
authorised signatory for
[*Borrower*] / [*Company*]

NOTES:

* Amend as appropriate. The Utilisation Request can be given by the Borrower or by the Company.

SCHEDULE 4

SPECIFIED TIMES

PART I
Loans

	Loans in USD	**Loans in EUR**	**Loans in other currencies**
Facility Agent notifies the Company if a currency is approved as an Optional Currency in accordance with Clause 4.3 (*Conditions relating to Optional Currencies*).	-	-	U-4 as soon as possible
Delivery of a duly completed Utilisation Request in accordance with Clause 5.1 (*Delivery of a Utilisation Request*).	U-3 10:00am London time	U-3 10:00am London time	U-3 10:00am London time
Facility Agent notifies the relevant Lenders of the Loan in accordance with paragraph (e) of Clause 5.4 (*Lenders' Participation*).	U-3 as soon as possible	U-3 as soon as possible	U-3 as soon as possible
LIBOR or EURIBOR is fixed.	Quotation Day as of 11:00am London time	Quotation Day as of 11:00am Brussels time in respect of EURIBOR	Quotation Day as of 11:00am London time
Reference Bank Rate calculated by reference to available quotations in accordance with Clause 16.2 (*Calculation of Reference Bank Rate*).	Quotation Day as soon as possible	Quotation Day as soon as possible	Quotation Day as soon as possible

"U" = date of utilisation or, if applicable, in the case of a Loan that has already been borrowed, the first day of the relevant Interest Period for that Loan.

"U – X" = X Business Days prior to the proposed date of utilisation or, if applicable, in the case of a Loan that has already been borrowed, the first day of the relevant Interest Period for that Loan.

PART II
Letters of Credit

	Letters of Credit
Delivery of a duly completed Utilisation Request (Clause 6.2 (*Delivery of a Utilisation Request for Letters of Credit*))	U-3 10:00am London time
Facility Agent determines (in relation to a Utilisation) the Base Currency Amount of the Letter of Credit if required under paragraph (d) of Clause 6.5 (*Issue of Letters of Credit*) and notifies the relevant Issuing Bank and Lenders of the Letter of Credit in accordance with paragraph (d) of Clause 6.5 (*Issue of Letters of Credit*).	U-3 12:00pm London time
Delivery of duly completed Renewal Request (Clause 6.6 (*Renewal of a Letter of Credit*))	U-3 10:00am London time

"U"	=	date of utilisation, or, if applicable, in the case of a Letter of Credit to be renewed in accordance with Clause 6.6 (*Renewal of a Letter of Credit*), the first day of the proposed term of the renewed Letter of Credit
"U-X"	=	Business Days prior to date of utilisation or, if applicable, in the case of a Letter of Credit to be renewed in accordance with Clause 6.6 (*Renewal of a Letter of Credit*), the first day of the proposed term of the renewed Letter of Credit

SCHEDULE 5

FORM OF TRANSFER CERTIFICATE

To: [●] as Facility Agent

From: [*The Existing Lender*] (the "**Existing Lender**") and [*The New Lender*] (the "**New Lender**")

Dated:

GLOBALFOUNDRIES Inc. – Revolving and L/C Facilities Agreement
dated [●] 2019 (the "Facilities Agreement")

1. We refer to the Facilities Agreement. This is a Transfer Certificate. Terms defined in the Facilities Agreement have the same meaning in this Transfer Certificate unless given a different meaning in this Transfer Certificate.

2. We refer to Clause 29.6 (*Procedure for transfer*) of the Facilities Agreement:

   (a) The Existing Lender and the New Lender agree to the Existing Lender transferring to the New Lender by novation all or part of the Existing Lender's Commitment, rights and obligations referred to in the Schedule in accordance with Clause 29.6 (*Procedure for transfer*) of the Facilities Agreement.

   (b) The proposed Transfer Date is [●].

   (c) The Facility Office and address, fax number and attention details for notices of the New Lender for the purposes of Clause 38.2 (*Addresses*) of the Facilities Agreement are set out in the Schedule.

3. The New Lender expressly acknowledges the limitations on the Existing Lender's obligations set out in paragraph (c) of Clause 29.5 (*Limitation of responsibility of Existing Lenders*) of the Facilities Agreement.

4. The New Lender confirms, for the benefit of the Facility Agent and without liability to any Obligor, that it is:

   (a) in respect of a Lender to a Singapore Borrower:

      (i) [a Singapore Qualifying Lender (other than a Singapore Treaty Lender)];

      (ii) [a Singapore Treaty Lender];

      (iii) [not a Singapore Qualifying Lender];

   (b) in respect of a Lender to a US Borrower:

      (i) [a US Qualifying Lender];

      (ii) [not a US Qualifying Lender];

   (c) in respect of a Lender to a German Borrower:

(i) [a German Qualifying Lender (other than a German Treaty Lender)];

(ii) [a German Treaty Lender];

(iii) [not a German Qualifying Lender];

(d) in respect of a Lender to an Other Borrower:

(i) [an Other Qualifying Lender (other than an Other Treaty Lender)];

(ii) [an Other Treaty Lender];

(iii) [not an Other Qualifying Lender].[2]

5. The New Lender confirms that it [is / is not] a Sponsor Affiliate.

6. The New Lender expressly confirms that it [can/cannot] exempt the Facility Agent from the restrictions pursuant to section 181 of the German Civil Code (*Bürgerliches Gesetzbuch*) and similar restrictions applicable to it pursuant to any other law as provided for in paragraph (c) of Clause 32.1 (*Appointment of the Facility Agent*).

7. [The New Lender confirms that it [is / is not] a Non-Acceptable L/C Lender.]

8. [The New Lender confirms that it is not a Loan-to-Own/Distressed Investor or an Industry Competitor.]

9. This Transfer Certificate may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Transfer Certificate.

10. This Transfer Certificate and any non-contractual obligations arising out of or in connection with it are governed by English law.

11. This Transfer Certificate has been entered into on the date stated at the beginning of this transfer Certificate.

[2] *Delete as applicable - each New Lender is required to confirm which of these eight categories it falls within.*

THE SCHEDULE

Commitment/rights and obligations to be transferred

[*insert relevant details*]

[*Facility office address, fax number and attention details for notices and account details for payments*]

[*Existing Lender*] [New Lender]

By: By:

This Transfer Certificate is accepted as a Transfer Certificate for the purposes of the Facilities Agreement by the Facility Agent and the Transfer Date is confirmed as [ ].

[*Facility Agent*]

By:

SCHEDULE 6

FORM OF ASSIGNMENT AGREEMENT

To: [●] as Facility Agent, and GLOBALFOUNDRIES Inc. as Company, for and on behalf of each Obligor

From: [*The Existing Lender*] (the "**Existing Lender**") and [*The New Lender*] (the "**New Lender**")

Dated:

GLOBALFOUNDRIES Inc. – Revolving and L/C Facilities Agreement
dated [●] 2019 (the "Facilities Agreement")

1. We refer to the Facilities Agreement. This is an Assignment Agreement. Terms defined in the Facilities Agreement have the same meaning in this Assignment Agreement unless given a different meaning in this Assignment Agreement.

2. We refer to Clause 29.7 (*Procedure for assignment*) of the Facilities Agreement:

   (a) The Existing Lender assigns absolutely to the New Lender all the rights of the Existing Lender under the Facilities Agreement and the other Finance Documents which relate to that portion of the Existing Lender's Commitment(s) and participations in Loans under the Facilities Agreement as specified in the Schedule.

   (b) The Existing Lender is released from all the obligations of the Existing Lender which correspond to that portion of the Existing Lender's Commitment(s) and participations in Loans under the Facilities Agreement specified in the Schedule.

   (c) The New Lender becomes a Party as a Lender and is bound by obligations equivalent to those from which the Existing Lender is released under paragraph (b) above.

3. The proposed Transfer Date is [ ].

4. On the Transfer Date the New Lender becomes Party to the relevant Finance Documents as a Lender.

5. The Facility Office and address, fax number and attention details for notices of the New Lender for the purposes of Clause 38.2 (*Addresses*) of the Facilities Agreement are set out in the Schedule.

6. The New Lender expressly acknowledges the limitations on the Existing Lender's obligations set out in paragraph (c) of Clause 29.5 (*Limitation of responsibility of Existing Lenders*) of the Facilities Agreement.

7. The New Lender confirms, for the benefit of the Facility Agent and without liability to any Obligor, that it is:

   (a) in respect of a Lender to a Singapore Borrower:

      (i) [a Singapore Qualifying Lender (other than a Singapore Treaty Lender)];

      (ii) [a Singapore Treaty Lender];

      (iii) [not a Singapore Qualifying Lender];

(b) in respect of a Lender to a US Borrower:

(i) [a US Qualifying Lender];

(ii) [not a US Qualifying Lender];

(c) in respect of a Lender to a German Borrower:

(i) [a German Qualifying Lender (other than a German Treaty Lender)];

(ii) [a German Treaty Lender];

(iii) [not a German Qualifying Lender];

(d) in respect of a Lender to an Other Borrower:

(i) [an Other Qualifying Lender (other than an Other Treaty Lender)];

(ii) [an Other Treaty Lender];

(iii) [not an Other Qualifying Lender].[3]

8. [The New Lender confirms that it [is / is not] a member of the Group/Sponsor Affiliate.]

9. The New Lender expressly confirms that it [can/cannot] exempt the Facility Agent from the restrictions pursuant to section 181 of the German Civil Code (*Bürgerliches Gesetzbuch*) and similar restrictions applicable to it pursuant to any other law as provided for in paragraph (c) of Clause 32.1 (*Appointment of the Facility Agent*).

10. [The New Lender confirms that it [is / is not] a Non-Acceptable L/C Lender.]

11. [The New Lender confirms that it is not a Loan-to-Own/Distressed Investor or an Industry Competitor.]

12. This Assignment Agreement acts as notice to the Facility Agent (on behalf of each Finance Party) and, upon delivery in accordance with Clause 29.9 (*Copy of Transfer Certificate, Assignment Agreement or Increase Confirmation to Company*) of the Facilities Agreement, to the Company (on behalf of each Obligor) of the assignment referred to in this Assignment Agreement.

13. This Assignment Agreement may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Assignment Agreement.

14. This Assignment Agreement and any non-contractual obligations arising out of or in connection with it are governed by English law.

15. This Assignment Agreement has been entered into on the date stated at the beginning of this Assignment Agreement.

---

[3] *Delete as applicable - each New Lender is required to confirm which of these eight categories it falls within.*

THE SCHEDULE

Rights to be assigned and obligations to be released and undertaken

[*insert relevant details*]

[*Facility office address, fax number and attention details for notices and account details for payments*]

[*Existing Lender*] [New Lender]

By: By:

This Assignment Agreement is accepted by the Facility Agent and the Transfer Date is confirmed as [ ].

Signature of this Assignment Agreement by the Facility Agent constitutes confirmation by each of them of receipt of notice of the assignment referred to herein, which notice the Facility Agent receives on behalf of each Finance Party.

[*Facility Agent*]

By:

SCHEDULE 7

FORM OF ACCESSION DEED

To: [●] as Facility Agent

From: [*Subsidiary*] and GLOBALFOUNDRIES Inc.

Dated:

Dear Sirs

GLOBALFOUNDRIES Inc. – Revolving and L/C Facilities Agreement
dated [●] 2019 (the "Facilities Agreement")

1. We refer to the Facilities Agreement. This deed (the "**Accession Deed**") shall take effect as a Accession Deed for the purposes of the Facilities Agreement. Terms defined in the Facilities Agreement have the same meaning in this Accession Deed unless given a different meaning in this Accession Deed.

2. [*Subsidiary*] agrees to become an Additional [Borrower / Guarantor] and to be bound by the terms of the Facilities Agreement as an Additional [Borrower / Guarantor] pursuant to [Clause 31.2 (*Additional Borrowers*) / Clause 31.4 (*Additional Guarantors)*] of the Facilities Agreement. [*Subsidiary*] is a company duly incorporated under the laws of [*name of relevant jurisdiction*] and is a [*limited liability company/specify other entity*] and registered number [●].

3. [*Subsidiary's*] administrative details for the purposes of the Facilities Agreement and the other Finance Documents are as follows:

   Address: [●]

   Fax No.: [●]

   Attention: [●]

4. [*Subsidiary*] intends to give a guarantee, indemnity or other assurance against loss in respect of liabilities under the following document(s):

   [*Insert details (date, parties and description) of relevant documents*]

   the "**Relevant Documents**".

5. [*Insert details of any applicable guarantee limitations required in accordance with Schedule 11 (Guarantee limitations in general)*]

6. As of the date of this Accession Deed, [*Subsidiary*] makes the representations set out under Clauses 1 (*Status; Power*), 2 (*Legality; Validity and Enforceability*), 3 (*Authorisations*), 4 (*No Proceedings*), 5 (*Non-Conflict*), 8 (*Solvency*), 10 (*Sanctions*), 11 (*Applicable Laws*), 12 (*Choice of Law*), 17 (*Private and Commercial Purposes*) and 18 (*Pari Passu Ranking*) of the Facilities Agreement in respect of itself.

7. This Accession Deed and any non-contractual obligations arising out of or in connection with it are governed by English law.

THIS ACCESSION DEED has been signed on behalf of GLOBALFOUNDRIES Inc. and executed as a deed by [*Subsidiary*] and is delivered on the date stated above.

[***Subsidiary***])
EXECUTED AS A DEED)
By: [*Subsidiary*]

_____ Director

_____ Director/Secretary

OR

[*Subsidiary*])
EXECUTED AS A DEED)
By: [*Subsidiary*]

_____ Signature of Director

_____ Name of Director

in the presence of

_____ Signature of Witness

_____ Name of Witness

_____ Address of Witness

_____

_____

_____ Occupation of Witness

OR

[*Subsidiary*])
EXECUTED AS A DEED)
By: [*Subsidiary*]

_____ Signature of Authorised Signatory

_____ Name of Authorised Signatory

_____ [Signature of Authorised Signatory]

_____ [Name of Authorised Signatory]

GLOBALFOUNDRIES Inc.

_____

By:

SCHEDULE 8

FORM OF RESIGNATION LETTER

To: [●] as Facility Agent

From: [*Resigning Guarantor*] and GLOBALFOUNDRIES Inc.

Dated:

Dear Sirs

GLOBALFOUNDRIES Inc. – Revolving and L/C Facilities Agreement
dated [●] 2019 (the "Facilities Agreement")

1. We refer to the Facilities Agreement. This is a Resignation Letter. Terms defined in the Facilities Agreement have the same meaning in this Resignation Letter unless given a different meaning in this Resignation Letter.

2. Pursuant to [Clause 31.3 (*Resignation of a Borrower*) / Clause 31.5 (*Resignation of a Guarantor*)], we request that [*resigning Obligor*] be released from its obligations as a [Borrower / Guarantor] under the Facilities Agreement and the Finance Documents.

3. We confirm that:

   (a) no Default is continuing or would result from the acceptance of this request;

   (b) no amount is currently due and payable and unpaid by [*resigning Obligor*]; and

   (c) the aggregate EBITDA and Revenues of the Non-Obligors would not exceed twenty per cent. (20%) of the EBITDA and Revenues of the Adjusted Group, respectively, for the twelve calendar (12) month period ending on [*specify test date*] as a result of acceptance of this request (where the Revenues of the Adjusted Group means the Revenues of the Group calculated on a consolidated basis excluding the aggregate Revenues of the Excluded Guarantor Companies); and

   (d) the aggregate Total Assets of the Non-Obligors would not exceed twenty per cent. (20%) of the Total Assets of the Adjusted Group on [*specify test date*] as a result of acceptance of this request (where the Total Assets of the Adjusted Group means the Total Assets of the Group calculated on a consolidated basis excluding the aggregate Total Assets of the Excluded Guarantor Companies).

4. This Resignation Letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

GLOBALFOUNDRIES Inc. [*Resigning Obligor*]

By: By:

SCHEDULE 9

FORM OF COMPLIANCE CERTIFICATE

To: [●] as Facility Agent

From: GLOBALFOUNDRIES Inc.

Dated:

Dear Sirs

GLOBALFOUNDRIES Inc. – Revolving and L/C Facilities Agreement
dated [] 2019 (the "Facilities Agreement")

1. We refer to the Facilities Agreement. This is a Compliance Certificate. Terms defined in the Facilities Agreement have the same meaning when used in this Compliance Certificate unless given a different meaning in this Compliance Certificate.

2. [We confirm that as at [*specify test date*], the Company is in compliance with the financial covenants set out in Clause 6 (*Financial Covenants*) of Schedule 13 (*Information Covenants*) of the Facilities Agreement and the Schedule hereto attaches calculations confirming this.]

3. We confirm that:

   (a) the aggregate EBITDA and Revenues of the Non-Obligors would not exceed twenty per cent. (20%) of the EBITDA and Revenues of the Adjusted Group, respectively, for the twelve (12) calendar month period ending on [*specify test date*] (where Revenues of the Adjusted Group means Revenues of the Group calculated on a consolidated basis excluding the aggregate Revenues of the Excluded Guarantor Companies); and

   (b) the aggregate Total Assets of the Non-Obligors would not exceed twenty per cent. (20%) of the Total Assets of the Adjusted Group on [*specify test date*] (where the Total Assets of the Adjusted Group means the Total Assets of the Group calculated on a consolidated basis excluding the aggregate Total Assets of the Excluded Guarantor Companies).

4. We confirm that the Group's current Committed Debt Facilities are as follows:

Ref.	Committed Debt Facilities	Available and Undrawn Amounts as at [*specify test date*]
	[]	[]
	[]	[]

Signed ……..
Authorised Officer
of
GLOBALFOUNDRIES Inc.

SCHEDULE 10

FORM OF LETTER OF CREDIT

To: [*Beneficiary*] (the "**Beneficiary**")

Date

Irrevocable Standby Letter of Credit no. [●]

At the request of [●], [*Issuing Bank*] (the "**Issuing Bank**") issues this irrevocable standby Letter of Credit ("**Letter of Credit**") in your favour on the following terms and conditions:

1. **Definitions**

In this Letter of Credit:

"**Business Day**" means a day (other than a Saturday or a Sunday) on which banks are open for general business in [London].*

"**Demand**" means a demand for a payment under this Letter of Credit in the form of the schedule to this Letter of Credit.

"**Expiry Date**" means [●].

"**Total L/C Amount**" means [●].

2. **Issuing Bank's agreement**

(a) The Beneficiary may request a drawing or drawings under this Letter of Credit by giving to the Issuing Bank a duly completed Demand. A Demand must be received by the Issuing Bank by no later than [●] p.m. ([London] time) on the Expiry Date.

(b) Subject to the terms of this Letter of Credit, the Issuing Bank unconditionally and irrevocably undertakes to the Beneficiary that, within [ten (10)] Business Days of receipt by it of a Demand, it must pay to the Beneficiary the amount demanded in that Demand.

(c) The Issuing Bank will not be obliged to make a payment under this Letter of Credit if as a result the aggregate of all payments made by it under this Letter of Credit would exceed the Total L/C Amount.

3. **Expiry**

(a) The Issuing Bank will be released from its obligations under this Letter of Credit on the date (if any) notified by the Beneficiary to the Issuing Bank as the date upon which the obligations of the Issuing Bank under this Letter of Credit are released.

(b) Unless previously released under paragraph (a) above, on [●] p.m.([London] time) on the Expiry Date the obligations of the Issuing Bank under this Letter of Credit will cease with no further liability on the part of the Issuing Bank except for any Demand validly presented under the Letter of Credit that remains unpaid.

(c) When the Issuing Bank is no longer under any further obligations under this Letter of Credit, the Beneficiary must return the original of this Letter of Credit to the Issuing Bank.

4. **Payments**

All payments under this Letter of Credit shall be made in **[●]** and for value on the due date to the account of the Beneficiary specified in the Demand.

5. **Delivery of Demand**

Each Demand shall be in writing, and, unless otherwise stated, may be made by letter, fax or telex and must be received in legible form by the Issuing Bank at its address and by the particular department or office (if any) as follows:

[

]

6. **Assignment**

The Beneficiary's rights under this Letter of Credit may not be assigned or transferred.

7. **ISP 98**

Except to the extent it is inconsistent with the express terms of this Letter of Credit, this Letter of Credit is subject to the International Standby Practices (ISP 98), International Chamber of Commerce Publication No. 590.

8. **Governing Law**

This Letter of Credit and any non-contractual obligations arising out of or in connection with it are governed by English law.

9. **Jurisdiction**

The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Letter of Credit (including a dispute relating to any non-contractual obligation arising out of or in connection with this Letter of Credit).

Yours faithfully

[*Issuing Bank*]

By:

NOTES:

* This may need to be amended depending on the currency of payment under the Letter of Credit.

SCHEDULE

FORM OF DEMAND

To: [ISSUING BANK]

[Date]

Dears Sirs

Standby Letter of Credit no. [●] issued in favour of [BENEFICIARY]
(the "Letter of Credit")

We refer to the Letter of Credit. Terms defined in the Letter of Credit have the same meaning when used in this Demand.

1. We certify that the sum of [●] is due [and has remained unpaid for at least [●] Business Days] [under [set out underlying contract or agreement]]. We therefore demand payment of the sum of [●].

2. Payment should be made to the following account:

   Name:

   Account Number:

   Bank:

3. The date of this Demand is not later than the Expiry Date.

Yours faithfully

(Authorised Signatory) (Authorised Signatory)

For
[BENEFICIARY]

SCHEDULE 11

GUARANTEE LIMITATIONS IN GENERAL

In determining what guarantees will be provided in support of a Facility the following matters will be taken into account. Guarantees shall be limited to the extent that they would otherwise:

1. result in any breach of general statutory limitations, capital maintenance, financial assistance, corporate benefit, fraudulent preference, "thin capitalisation" rules, retention of title claims, regulatory restrictions and similar principles;

2. require any consent by law, statute, the terms of any applicable contract, instrument or constitutional document or otherwise from the minority shareholders in, or any relevant corporate body of, any member of the Group which is not wholly owned (directly or indirectly) by another member of the Group, provided that the relevant company and the Company have used reasonable endeavours to obtain such consent and it has not been obtained;

3. result in a risk to the officers of the relevant grantor of a guarantee of contravention of any statutory duty in such capacity or their fiduciary duties and/or which could reasonably be expected to result in personal, civil or criminal liability on the part of any such director or officer;

4. result in stamp duty, notarisation, registration or other applicable fees, taxes and duties that are disproportionate to the benefit of increasing the guaranteed amount and the maximum guaranteed amount shall be limited accordingly; or

5. would have a material adverse effect (i) on the ability of the relevant member of the Group to conduct its operations and business in the ordinary course as otherwise permitted by this Agreement; or (ii) on the tax arrangements of the Group or any member of the Group, provided that, in each case, the relevant member of the Group shall use reasonable endeavours to overcome such obstacle. The guaranteed obligations will be limited where necessary to prevent any material additional tax liability of any member of the Group.

SCHEDULE 12

REPRESENTATIONS

1. **Status; Power**

(a) It is duly organised, formed or incorporated and validly existing and, if applicable in the relevant jurisdiction, in good standing under the laws of its jurisdiction of formation or incorporation and has the power to conduct its business as currently conducted.

(b) It and each of its Subsidiaries has the power and authority and is duly authorised to enter into and comply with the Finance Documents to which it is a party.

2. **Legality, Validity and Enforceability**

(a) Subject to the Legal Reservations, the obligations expressed to be assumed by it in each Finance Document to which it is a party are legal, valid, binding and enforceable obligations.

(b) The Finance Documents to which it is a party are admissible in evidence in its jurisdiction of incorporation.

3. **Authorisations**

All authorisations required to enable the lawful entry into and compliance with the Finance Documents to which it is a party have been obtained or effected and are in full force and effect or will be obtained or effected and will be in full force and effect on the date such authorisations are required by the Finance Documents and/or as a matter of law.

4. **No Proceedings**

No litigation, arbitration or administrative proceedings (to the best of its knowledge and belief) have been started or are pending or threatened against it which could reasonably be expected to be adversely determined and, if adversely determined, could reasonably be expected to have a Material Adverse Effect.

5. **Non-Conflict**

The entry into and performance by it of, and the transactions contemplated by, the Finance Documents do not conflict with:

(a) in any material respect, its constitutional documents;

(b) in any material respect, any law, rule, regulation or order; or

(c) to the extent such conflict has a Material Adverse Effect, any agreements binding on it or any of its subsidiaries (which are Obligors) or any of its or their assets.

6. **No Default**

No Default is continuing or will result from the entry into, or the performance of any transaction contemplated by, any Finance Document to which it is a party.

7. **Provision of Information**

(a) To the best of is knowledge and belief after such enquiry as it considers prudent, the factual information contained in the Information Package was correct in all material respects as at the date on which the relevant information was provided.

(b) Subject to any subsequent disclosure, the Information Package did not omit to state any material fact and no information has been given or withheld that results in the information contained in the Information Package, taken as a whole, being untrue or misleading in any material respect.

8. **Solvency**

On the Signing Date (or, in the case of an Additional Guarantor, but only in respect of such Additional Guarantor, on the date that it becomes an Additional Guarantor) no formal legal proceedings or other formal procedure or step as described in paragraph (b) of Clause 5 (*Insolvency Events*) of Schedule 16 (*Events of Default*) has been taken and is current (and has not been stayed or dismissed), other than such proceedings or steps that are frivolous or vexatious.

9. **Financial Statements**

The most recent consolidated Financial Statements of the Company delivered in accordance herewith were prepared in accordance with Approved Accounting Principles, consistently applied, and fairly represent its consolidated financial position as at the end of, and consolidated results of operations for, the period to which they relate.

10. **Sanctions**

Neither it nor, to its actual knowledge, any of its directors or officers are currently subject to any Sanctions.

11. **Applicable Laws**

Without limiting Clause 14 (*Corrupt Practices Laws*) of Schedule 12 (*Representations*), it is in compliance in all material respects with all applicable laws.

12. **Choice of Law**

Subject to any Legal Reservations, the choice of law under the Finance Documents is enforceable against it and foreign judgments rendered against it as a result of such choice of law would be recognised and enforceable in its jurisdiction of incorporation.

13. **Taxes**

(a) To the best of its knowledge, it has filed or caused to be filed all Tax returns and Tax information returns that are required to have been filed by it in any jurisdiction and has paid in full all Taxes due and payable on such returns and all other Taxes payable by it, to the extent that such Taxes have become due and payable, except for filings and Taxes that are being contested by it in good faith;

(b) All required stamp duties, registration fees, filing costs and other charges in connection with the execution, delivery, filing, recording, perfection, priority and/or admissibility in evidence of any Finance Document payable as of the date that this representation is given have been paid in full or an appropriate exemption therefrom has been obtained and all such filings, recordings or other acts have been made or will be duly made within the required time periods for so doing; and

(c)

(i) in respect of a payment made by the Company, no Tax Deduction is required to be made by the Company from any payment it may make to any Finance Party under any of the Finance Documents.

(ii) in respect of a payment made by a Borrower other than the Company, no Tax Deduction is required to be made by such Borrower from any payment it may make to any Finance Party under any of the Finance Documents which is a Qualifying Lender.

14. **Corrupt Practices Laws**

Neither it nor, to its actual knowledge, any of its directors or officers, acting on its behalf, has used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds; or made any bribe, rebate, payoff, influence payment, kickback or other payment prohibited under any Corrupt Practices Laws applicable to it concerning such payments or gifts and it has instituted and maintains policies and procedures designed to prevent violations of applicable anti-bribery and corruption laws and regulations.

15. **Anti-Money Laundering**

Its operations are and have been conducted at all times in compliance with the applicable financial record keeping and reporting requirements and anti-money laundering statutes in its jurisdiction of incorporation and in all other jurisdictions in which it conducts business (collectively "**Anti-Money Laundering Laws**") and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitration involving it with respect to Anti-Money Laundering Laws is pending and, to its knowledge, no such actions, suits or proceedings are threatened or contemplated.

16. **Immunity**

Subject to the Legal Reservations, neither it nor its respective assets has any, or is entitled to claim or assert any, right of immunity on the grounds of sovereignty or otherwise from jurisdiction of any court, suit, set-off, legal proceedings generally, attachment before judgment, attachment in aid of execution or other attachment or execution of judgment under the applicable laws of its jurisdiction of incorporation or any other jurisdiction in which its assets are located in connection with any action to enforce any Finance Document.

17. **Private and Commercial Purposes**

The execution, delivery and performance by it of each Finance Document to which it is a party are private and commercial acts performed for private and commercial purposes.

18. ***Pari Passu* Ranking**

Its payment obligations under the Finance Documents rank at least *pari passu* in right of payment with all its other unsecured and unsubordinated creditors (subject to applicable law).

19. **Projections**

Each of the financial and operating projections provided to any of the Finance Parties by or on behalf of the Company and contained in the Information Package:

(a) was prepared with due care and in good faith;

(b) represents a good faith, reasonable estimate as of the date such projection was provided, based on reasonable assumptions (where such assumptions are not stated to have been provided by a third party) as to all matters affecting the estimates therein; and

(c) was prepared on a basis substantially consistent with its Financial Statements.

20. **Pension Liabilities**

The Company and each other Obligor maintains and funds its pension schemes (if any) in accordance with all applicable laws in all material respects where failure to do so has or would reasonably be expected to have a Material Adverse Effect.

21. **Times When Representations Made**

(a) All the representations in this Schedule 12 are made by the Company in respect of itself and each other Obligor on the Signing Date to the Finance Parties.

(b) The Repeating Representations are deemed to be made by (i) the Company on each Utilisation Date under this Agreement in respect of itself and, where applicable, in respect of each other Obligor to the Finance Parties and (ii) each other Obligor on each Utilisation Date under this Agreement in respect of itself to the Finance Parties.

(c) The Repeating Representations are deemed to be made by the Company on the last day of each Interest Period under this Agreement in respect of itself and, where applicable, in respect of each other Obligor to the Finance Parties.

(d) If a member of the Group becomes an Additional Obligor after the Signing Date, the representations set out under Clauses 1 (*Status; Power*) to 5 (*Non Conflict*) (inclusive), 8 (*Solvency*), 10 (*Sanctions*) to 12 (*Choice of Law*) (inclusive), 17 (*Private and Commercial Purposes*) and 18 (*Pari Passu Ranking*) will be made by the Company in respect of such Additional Obligor and by such Additional Obligor on the day on which it becomes (or it is proposed that it becomes) an Additional Obligor.

(e) The representations set out in Clause 9 (*Financial Statements*) are deemed given in respect of the most recent consolidated Financial Statements of the Company delivered in accordance with this Agreement on the date of such delivery.

(f) Each representation deemed to be made after the Signing Date shall be deemed to be made by reference to the facts and circumstances existing at the date the representation is deemed to be made.

SCHEDULE 13

INFORMATION COVENANTS

1. **Financial Statements**

(a) The Company shall provide to the Facility Agent (with sufficient copies for each Lender):

(i) as soon as they are available, but in any event, within one hundred and twenty (120) calendar days after the end of each of its Financial Years, the audited and consolidated Financial Statements and unaudited consolidating income statement and balance sheet for that Financial Year for the Company; and

(ii) as soon as they are available, but in any event, within ninety (90) calendar days after the end of each of the first three quarters of each of its Financial Years, unaudited and consolidated Financial Statements and unaudited consolidating income statement and balance sheet for that quarter for the Company.

2. **Compliance Certificate**

(a) The Company shall provide the Facility Agent (with sufficient copies for each Lender), together with:

(i) the most recent Financial Statements delivered pursuant to (a)(i) of Clause 1 (*Financial Statements*) above; and

(ii) Financial Statements in respect of the second quarter of its Financial Year delivered pursuant to (a)(ii) of Clause 1 (*Financial Statements*) above, a Compliance Certificate setting out (in reasonable detail) computations as to compliance with Clause 6 (*Financial Covenants*) of Schedule 13 (*Information Covenants*) and Clause 7 (*Guarantor Coverage*) of Schedule 14 (*Affirmative Covenants*) with respect to the relevant Calculation Date and the Calculation Period ending on such date.

(b) Each Compliance Certificate shall be signed by an Authorised Officer of the Company.

3. **Information; Miscellaneous**

The Company shall supply to the Facility Agent (with sufficient copies for each Lender):

(a) all material documents required by applicable law or regulation to be dispatched by the Company to its creditors generally at the same time as they are dispatched;

(b) promptly upon becoming aware of them, the details of any litigation, arbitration or administrative proceedings which are current, threatened in writing or pending against any member of the Group, and which could reasonably be expected to be adversely determined and, if adversely determined, could reasonably be expected to have a Material Adverse Effect; and

(c) promptly on request, such further information regarding the financial condition, business and operations of any member of the Group as any Finance Party (through the Facility Agent) may reasonably request.

4. **Notification of Default**

(a) The Company shall notify the Facility Agent of any Default (and the steps, if any, being taken to remedy it) promptly (and in any event within fourteen (14) calendar days) upon becoming aware of its occurrence.

(b) Promptly upon a request by the Facility Agent, the Company shall provide to the Facility Agent a certificate signed by an Authorised Officer of the Company on its behalf certifying that no Default is continuing (or if a Default is continuing, specifying the Default and the steps, if any, being taken to remedy it).

5. **"*Know your customer*" checks**

(a) If:

(i) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation made after the Signing Date;

(ii) any change in the status of an Obligor or the composition of its shareholders after the Signing Date; or

(iii) a proposed assignment or transfer pursuant to this Agreement by a Lender or the Facility Agent of any of its rights and obligations under this Agreement to a party that is not a Lender prior to such assignment or transfer,

obliges the Facility Agent or any Lender (or, in the case of sub-paragraph (iii) above, any prospective new Lender) to comply with "*know your customer*" or similar identification procedures in circumstances where the necessary information is not already available to it, each Obligor shall promptly upon the request of the Facility Agent or any Lender supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Facility Agent (for itself or on behalf of any Lender) or any Lender (for itself or, in the case of the event described in sub-paragraph (iii) above, on behalf of any prospective new Lender) in order for the Facility Agent, such Lender or, in the case of the event described in sub-paragraph (iii) above, any prospective new Lender to carry out and be satisfied it has complied with all necessary "*know your customer*" or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Finance Documents.

(b) Each Lender shall promptly upon the request of the Facility Agent supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Facility Agent (for itself) in order for the Facility Agent to carry out and be satisfied it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Finance Documents.

(c) The Company shall, by not less than ten (10) Business Days' prior written notice to the Facility Agent, notify the Facility Agent (which shall promptly notify the Lenders) of its intention to request that one of its Subsidiaries becomes an Additional Guarantor pursuant to Clause 31.4 (*Additional Guarantors*).

(d) Following the giving of any notice pursuant to paragraph (iii) above, if the accession of such Additional Guarantor obliges the Facility Agent or any Lender to comply with "*know your*

customer" or similar identification procedures in circumstances where the necessary information is not already available to it, the Company shall promptly upon the request of the Facility Agent or any Lender supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Facility Agent (for itself or on behalf of any Lender) or any Lender (for itself or on behalf of any prospective new Lender) in order for the Facility Agent or such Lender or any prospective new Lender to carry out and be satisfied it has complied with all necessary "*know your customer*" or other similar checks under all applicable laws and regulations pursuant to the accession of such Subsidiary to this Agreement as an Additional Guarantor.

6. **Financial Covenants**

(a) On each Calculation Date:

(i) the Debt Service Coverage Ratio shall be at least 1.1:1.0; and

(ii) the Obligors hold at least US$350,000,000 (less the aggregate of available and undrawn amounts under any Committed Debt Facilities) in Cash or Cash Equivalent Investments.

(b) The covenants contained in this Clause 6 will be tested semi-annually by reference to the consolidated Financial Statements of the Company for the relevant Calculation Period with such adjustments as are necessary to determine the consolidated position of the Adjusted Group from such consolidated Financial Statements, unless the annual Financial Statements of the Company for all of the relevant period are available, in which case those annual consolidated Financial Statements shall be used instead.

(c) The components of each definition used in this Clause 6 will be calculated in accordance with the Approved Accounting Principles.

7. **Change of Financial Year**

The Company shall not change its financial year end (other than due to it being a 52-week financial year or moving to a calendar year basis).

8. **Acquisition, Merger or Reorganisation**

The Company shall provide the Facility Agent with not less than thirty (30) calendar days prior notice (or, if shorter, such period of notice (if any) as the Company shall determine shall be the maximum notice that can be given without breaching legal, regulatory or confidentiality restrictions applicable to the relevant transaction) of the consummation of any material proposed acquisition, merger or Reorganisation (other than a transaction between Obligors, between Non-Obligors or between Obligors and Non-Obligors where the resulting entity or entities are each an Obligor), together with sufficient information (subject to applicable confidentiality requirements) regarding the proposed terms thereof to allow the Facility Agent to determine (acting reasonably) compliance with this Agreement.

SCHEDULE 14

AFFIRMATIVE COVENANTS

1. **Maintenance of Existence**

Save in accordance with any transaction permitted under Clause 3 (*Merger*) of Schedule 15 (*Negative Covenants*), each Obligor shall at all times preserve and maintain:

(a) its legal existence under applicable laws of the jurisdiction in which it is incorporated; and

(b) its qualifications to do business in full force and effect in the jurisdiction in which it is incorporated or in which the transaction of its business as conducted or proposed to be conducted makes such qualification necessary.

2. **Authorisations**

Each Obligor shall promptly obtain, comply with in all material respects and do all that is necessary to maintain in full force and effect any authorisation required under any applicable law or regulation to enable it to perform its obligations under the Finance Documents and to ensure the legality, validity, enforceability or admissibility in evidence in its jurisdiction of incorporation of any Finance Document.

3. **Compliance with Laws**

Each Obligor shall comply with all applicable laws to which it may be subject if failure to so comply would have or would be reasonably likely to have a Material Adverse Effect.

4. **Books, Records and Inspections; Accounting and Audit Matters**

(a) The Company shall maintain adequate management information and cost control systems and shall keep proper books of record and account adequate to reflect fairly the financial condition and results of its operations and shall implement and maintain all internal management and accounting practices and controls necessary to ensure compliance with and to Corrupt Practices Laws.

(b) The Company shall maintain copies of the books of records and accounts of each other Obligor at its offices and, subject to applicable safety procedures, upon reasonable notice at reasonable times and on no more than one occasion per year, unless an Event of Default is continuing (in which case, on any number of occurrences), shall give access to (or procure access to) any Finance Party (and any of its officers and designated representatives) to its property and its books of records and accounts and documents and such copies of the books of records and accounts of each other Obligor.

(c) Each Obligor shall, subject to applicable safety procedures, upon reasonable notice and at reasonable times, if a Default or Event of Default is continuing, give access to any Finance Party (and any of its officers and designated representatives) to its books of records and accounts and documents to the extent reasonably considered relevant in the context of such Default or Event of Default.

5. **Taxes**

Each Obligor shall ensure payment of all Taxes when due, except where the payment of such Taxes is being contested in good faith by the Obligor with appropriate reserves established in accordance with the Approved Accounting Principles and where such contest does not and could not reasonably be expected to result in a Material Adverse Effect.

6. **Proper Legal Form**

Each Obligor shall take all action within its control required to ensure that each Finance Document to which it is a party:

(a) is in proper legal form under applicable laws of the jurisdiction in which it is incorporated and (if different) of the jurisdiction by which it is governed; and

(b) (subject to the guarantee limitations in the case of the Obligors) is capable of enforcement in its jurisdiction of incorporation and such other jurisdiction (if applicable) without further action on the part of any Finance Party.

7. **Guarantor Coverage**

The Company shall ensure that the aggregate EBITDA, Revenues and Total Assets of the Non-Obligors does not exceed twenty per cent. (20%) of the EBITDA, Revenues and Total Assets of the Adjusted Group, respectively, where the Revenues and Total Assets of the Adjusted Group means the Revenues and Total Assets of the Group calculated on a consolidated basis excluding the aggregate Revenues and Total Assets of the Excluded Guarantor Companies.

8. **Insurance**

The Company shall procure that the members of the Group shall obtain and maintain insurance in respect of their business and assets, from financially sound and reputable insurers and in amounts and with coverages, deductibles and indemnities that are, in each case, consistent with Prudent Industry Practice.

9. **Rights to Property**

One or more members of the Group has and shall maintain such other rights to use the assets necessary to carry on the Group's business as it is currently being conducted and as conducted from time to time.

10. **Pari Passu Ranking**

Each Obligor shall take all actions necessary to ensure that its payment obligations under the Finance Documents rank at least *pari passu* in right of payment with the claims of all its other unsecured and unsubordinated creditors (subject to applicable law).

11. **Sanctions**

(a) Subject to paragraph (b) below, each Borrower shall ensure that proceeds of the Facilities made available to it will not directly nor indirectly be lent, contributed or otherwise made available to any person (whether or not related to such Borrower):

(i) for the purpose of financing the activity of any person currently subject to Sanctions;

(ii) for the benefit of any country currently subject to Sanctions; or

(iii) for the benefit of any person in any country currently subject to Sanctions,

in a manner that would result in a violation of Sanctions applicable to such Borrower.

(b) The covenants in paragraph (a) above shall (A) be made by a EU Obligor or (B) apply for the benefit of a Restricted Lender only to the extent that giving, complying with or having the benefit of, as applicable, such covenants and undertakings would not result in any violation of, conflict with or liability under the EU Blocking Regulation.

SCHEDULE 15

NEGATIVE COVENANTS

The Company shall procure that:

1. **Negative Pledge**

(a) Except for Permitted Security, no member of the Group shall create or permit to subsist any Security securing Financial Indebtedness over any of its assets.

(b) Except for Permitted Security, no member of the Group shall:

(i) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by any member of the Group;

(ii) sell, transfer or otherwise dispose of any of its receivables on recourse terms;

(iii) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or

(iv) enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset, each such arrangement being "**Quasi-Security**".

2. **Disposals**

No member of the Group shall sell, lease, license, transfer or otherwise dispose of any asset (each, a "**disposition**") other than Permitted Disposals.

3. **Merger**

No member of the Adjusted Group shall enter into any amalgamation, demerger, merger or Reorganisation other than:

(a) under an intra-Adjusted Group amalgamation, demerger, merger or Reorganisation on a solvent basis not involving an Obligor or, if it involves an Obligor, where paragraph (b) below is satisfied in relation to such Obligor;

(b) in the case of an Obligor, where the Obligor is the surviving entity and such transaction does not adversely affect the ability of that Obligor to perform its obligations under the Finance Documents, the validity and enforceability of the Finance Documents against that Obligor or any right or remedy of the Finance Parties in respect of the Finance Documents;

(c) in the case of a Guarantor, where the Guarantor is not the surviving entity, but where the surviving entity becomes a Guarantor within thirty (30) calendar days of the consummation of such transaction and where such event and accession does not materially adversely affect the ability of such Guarantor to perform its obligations under the Finance Documents;

(d) where it involves either (A) only Non-Obligors and would be either a permitted disposal under Clause 2 (*Disposals*) above or a permitted investment of the type described in paragraph (b) of the definition of "Permitted Investment" or (B) an Obligor and would be a permitted disposal under Clause 2 (*Disposals*) above; or

(e) any other transaction approved by the Facility Agent.

4. **Immunity**

In any proceedings, no Obligor shall claim or assert for itself or any of its material assets any immunity (including claims of sovereign immunity) as against any Finance Party from suit, execution, attachment or other legal process, whether through service of notice, attachment prior to judgment, attachment in aid of execution, execution or otherwise.

5. **Financial Indebtedness**

(a) Subject to paragraph (b) below, no member of the Adjusted Group shall incur any Financial Indebtedness, except to the extent that, on the date of the incurrence of any Financial Indebtedness (taking into account the incurrence of such Financial Indebtedness) the Leverage Ratio and Projected Leverage Ratio are not greater than forty per cent. (40%).

(b) The incurrence of Financial Indebtedness described at paragraphs (b), (g) (but only to the extent Cash belonging to an Obligor is pooled with that of any other member of the Adjusted Group), (i), (l), or (m) of the definition of "Permitted Indebtedness" shall not require compliance with, or be included in the calculation of, the Leverage Ratio or Projected Leverage Ratio.

6. **Acquisitions; Investments**

No member of the Adjusted Group shall acquire assets or make any investments on or after the Signing Date outside of the ordinary course of its business (it being understood that acquisitions or investments consisting of strategic acquisitions, joint ventures or partnerships, in each case related to the acquiror's or investor's business shall be deemed to be within the ordinary course of the acquiror's or investor's business) other than any Permitted Investment.

7. **Distribution**

The Company shall not pay any Distribution unless, on the date of such Distribution:

(a) after giving effect to such Distribution, the Obligors would hold at least US$350,000,000 (less the aggregate of available and undrawn amounts under any Committed Debt Facilities) in Cash or Cash Equivalent Investments;

(b) the Debt Service Coverage Ratio as at the most recent Calculation Date was at least 1.3:1.0;

(c) no Default has occurred and is continuing (or would occur as a result of such Distribution); and

(d) such Distribution is made in compliance with applicable law.

8. **Corporate Documents; Capital Structure**

(a) No Obligor shall amend or modify its constitutional documents or modify its legal form, except for any amendment or modification:

(i) in connection with any transaction permitted Clause 3 (*Merger*) of this Schedule; or

(ii) that does not materially and adversely affect the rights of the Finance Parties under the Finance Documents.

(b) Each Obligor shall promptly provide the Facility Agent with written notice of any change of its name or principal place of business.

9. **Nature of Business**

No material change shall be made to the general nature of the business of the Company or the Group from that carried on at the Signing Date.

SCHEDULE 16

EVENTS OF DEFAULT

The Company shall procure that:

1. **Non-Payment**

(a) Either Borrower or the Company does not pay on the due date any amount of principal, interest or Fees payable under the Finance Documents (unless its failure to pay is caused by administrative or technical error or a Disruption Event and payment is made within three (3) Business Days of its due date).

(b) Either Borrower or the Company does not pay any amount (other than principal, interest or Fees) payable to the Finance Parties under the Finance Documents within ten (10) Business Days after becoming due.

2. **Breach of Other Obligations**

(a) An Obligor fails to comply with any obligation set out in Clause 6 (*Financial Covenants*) of Schedule 13 (*Information Covenants*), Clauses 1 (*Maintenance of Existence*) and 3 (*Compliance with Laws*) (to the extent relating to any Sanctions, anti-bribery or anti-money laundering laws) of Schedule 14 (*Affirmative Covenants*) and 7 (*Distribution*) of Schedule 15 (*Negative Covenants*) hereto.

(b) An Obligor fails to comply with any obligation set out in Schedule 13 (*Information Covenants*), Schedule 14 (*Affirmative Covenants*) and Schedule 15 (*Negative Covenants*) hereto (other than those referred to in Clause 1 (*Non-Payment*) and paragraph (a) above) which is not remedied within thirty (30) calendar days after the earlier of:

(i) the date on which the Company becomes, or reasonably should have been, aware thereof; and

(ii) the date on which the Company receives written notice thereof from the Facility Agent.

(c) An Obligor fails to comply with any provision of the Finance Documents (other than those referred to in Clause 1 (*Non-Payment*) or paragraphs (a) and (b) above) which is not remedied within forty-five (45) calendar days after the earlier of:

(i) the date on which the Company becomes, or reasonably should have been, aware thereof; and

(ii) the date on which the Company receives written notice thereof from the Facility Agent.

(d) A Subordinated Creditor fails to comply with any provision of the Subordination Deed which is not remedied within forty-five (45) calendar days after the earlier of:

(i) the date on which such Subordinated Creditor becomes, or reasonably should have been, aware thereof; and

(ii) the date on which Subordinated Creditor receives written notice thereof from the Facility Agent.

3. **Misrepresentation**

Any representation made (or deemed to be made in accordance with Clause 21 (*Times When Representations Made*) of Schedule 12 (*Representations*)) by an Obligor under this Agreement is false or misleading in any material respect when made or repeated and, if the condition that renders such representation false or misleading is capable of being rectified, such condition is not rectified for a period of thirty (30) calendar days after the earlier of:

(a) the date the Company or, as applicable, the relevant Obligor, became aware, or reasonably should have become aware, of such misrepresentation; and

(b) the date on which the Facility Agent gives notice thereof to the relevant Obligor.

4. **Cross-default**

Any Financial Indebtedness of a member of the Adjusted Group (other than Financial Indebtedness under the Finance Documents or the Shareholder Loans) in excess of:

(a) US$50,000,000 (or its equivalent in any other currency or currencies) is not paid when due (or after giving effect to any applicable grace period); or

(b) US$50,000,000 (or its equivalent in any other currency or currencies) is declared to be due and payable prior to its specified maturity as a result of an event of default (howsoever described).

5. **Insolvency Events**

(a) An Obligor is unable or admits inability to pay its debts as they fall due or a Borrower incorporated in Germany is overindebted within the meaning of section 19 of the German Insolvency Code (*Insolvenzordnung*).

(b) Any formal legal proceedings or other formal procedure or step (or any analogous procedure or step is taken in any jurisdiction) is taken in relation to:

(i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration, judicial management or Reorganisation of any Obligor;

(ii) a composition, compromise, assignment or similar arrangement with any creditor of any Obligor (excluding the Finance Parties in their capacity as such under, and acting in accordance with this Agreement); or

(iii) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager, judicial manager or other similar officer in respect of any Obligor or its assets,

and, in each case, in the event such procedure or step is initiated by any person other than an Obligor, such procedure or step is not stayed or dismissed within sixty (60) calendar days of commencement, **provided that** this shall not include an event arising as a consequence of a

transaction permitted under paragraph (b) of Clause 3 (*Merger*) of Schedule 15 (*Negative Covenants*).

(c) The occurrence of any creditors' process affecting material assets of any Obligor which is not discharged within sixty (60) calendar days.

6. **Illegality**

It is or becomes unlawful for an Obligor to perform or otherwise comply with one or more of its material obligations under any Finance Document.

7. **Invalidity; Unenforceability**

Subject to any Legal Reservations, any material obligation of an Obligor under the Finance Documents is rendered invalid or unenforceable or is claimed by an Obligor not to be valid or enforceable and, such event is not remedied within thirty (30) calendar days after the earlier of (i) the date the Company or, as applicable, the relevant Obligor, became aware, or reasonably should have become aware, thereof and (ii) the date on which the Facility Agent gives notice thereof to the relevant Obligor.

8. **Consents**

Any authorisation required to be maintained pursuant to the Finance Documents is not obtained or effected, is revoked or is not renewed, and any such circumstance has or would be reasonably likely to have a Material Adverse Effect.

9. **Judgment**

A judgment against any Obligor in excess of US$50,000,000 (or its equivalent in any other currency or currencies) is rendered by a court or tribunal, is not subject to appeal and is not paid within ninety (90) calendar days of the date of its entry (subject to an extension of thirty (30) calendar days beyond any stay of the execution of such judgment within sixty (60) calendar days of its entry).

10. **Repudiation**

The Company or any other Obligor repudiates any of its respective obligations under any Finance Document to which it is a party.

11. **Declared Company**

Any Borrower incorporated in Singapore is declared by the Minister of Finance of Singapore to be a company to which Part IX of the Companies Act, Chapter 50 of Singapore applies.

SCHEDULE 17

FORM OF CONFIDENTIALITY AGREEMENT

This document is intended to be used with all LMA Facility Agreements whether or not they contain the new LMA Confidentiality Undertaking.

For the avoidance of doubt, this document is in a non-binding, recommended form. Its intention is to be used as a starting point for negotiation only. Individual parties are free to depart from its terms and should always satisfy themselves of the regulatory implications of its use.

LMA CONFIDENTIALITY LETTER (SELLER). A SEPARATE LMA CONFIDENTIALITY LETTER IS AVAILABLE FOR USE BETWEEN A SELLER'S AGENT/BROKER AND A PURCHASER'S AGENT/BROKER.

THE CONFIDENTIALITY PROVISIONS CONTAINED IN THIS LETTER HAVE BEEN PRODUCED SPECIFICALLY FOR THE SECONDARY TRADING OF LOANS. THIS LETTER SHOULD NOT THEREFORE BE USED FOR PRIMARY SYNDICATION. A SEPARATE LMA CONFIDENTIALITY LETTER IS AVAILABLE FOR USE WITH PRIMARY SYNDICATION.

[Letterhead of Seller]

Date: [ ]

To:

[*insert name of Potential Purchaser*]

Re: The Agreement

***Company*:** (the "**Company**")

***Date*:**

***Amount*:**

***Agent*:**

Dear Sirs

We understand that you are considering acquiring an interest in the Agreement which, subject to the Agreement, may be by way of novation, assignment, the entering into, whether directly or indirectly, of a sub-participation or any other transaction under which payments are to be made or may be made by reference to one or more Finance Documents and/or one or more Obligors or by way of investing in or otherwise financing, directly or indirectly, any such novation, assignment, sub-participation or other transaction (the "**Acquisition**"). In consideration of us agreeing to make available to you certain information, by your signature of a copy of this letter you agree as follows:

1. **Confidentiality Undertaking**

You undertake (a) to keep all Confidential Information confidential and not to disclose it to anyone, save to the extent permitted by paragraph 2 below and to ensure that all Confidential Information is protected with security measures and a degree of care that would apply to your own confidential information, and (b) until the Acquisition is completed to use the Confidential Information only for the Permitted Purpose.

2. **Permitted Disclosure**

We agree that you may disclose:

2.1 to any of your Affiliates and any of your or their officers, directors, employees, professional advisers and auditors such Confidential Information as you shall consider appropriate if any person to whom the Confidential Information is to be given pursuant to this paragraph 2.1 is informed in writing of its confidential nature and that some or all of such Confidential Information may be price-sensitive information, except that there shall be no such requirement to so inform if the recipient is subject to professional obligations to maintain the confidentiality of the information or is otherwise bound by requirements of confidentiality in relation to the Confidential Information;

2.2 subject to the requirements of the Agreement, to any person:

(a) to (or through) whom you assign or transfer (or may potentially assign or transfer) all or any of your rights and/or obligations which you may acquire under the Agreement such Confidential Information as you shall consider appropriate if the person to whom the Confidential Information is to be given pursuant to this sub-paragraph (a) of paragraph 2.2 has delivered a letter to you in equivalent form to this letter;

(b) with (or through) whom you enter into (or may potentially enter into) any sub-participation in relation to, or any other transaction under which payments are to be made or may be made by reference to the Agreement or any Obligor such Confidential Information as you shall consider appropriate if the person to whom the Confidential Information is to be given pursuant to this sub-paragraph (b) of paragraph 2.2 has delivered a letter to you in equivalent form to this letter;

(c) to whom information is required or requested to be disclosed by any governmental, banking, taxation or other regulatory authority or similar body, the rules of any relevant stock exchange or pursuant to any applicable law or regulation such Confidential Information as you shall consider appropriate; and

2.3 notwithstanding paragraphs 2.1 and 2.2 above, Confidential Information to such persons to whom, and on the same terms as, a Finance Party is permitted to disclose Confidential Information under the Agreement, as if such permissions were set out in full in this letter and as if references in those permissions to Finance Party were references to you.

3. **Notification of Disclosure**

You agree (to the extent permitted by law and regulation) to inform us:

3.1 of the circumstances of any disclosure of Confidential Information made pursuant to sub-paragraph (c) of paragraph 2.2 above except where such disclosure is made to any of the persons referred to in that paragraph during the ordinary course of its supervisory or regulatory function; and

3.2 upon becoming aware that Confidential Information has been disclosed in breach of this letter.

4. **Return of Copies**

If you do not enter into the Acquisition and we so request in writing, you shall return or destroy all Confidential Information supplied to you by us and destroy or permanently erase (to the extent technically practicable) all copies of Confidential Information made by you and use your reasonable endeavours to ensure that anyone to whom you have supplied any Confidential Information destroys or permanently erases (to the extent technically practicable) such Confidential Information and any copies made by them, in each case save to the extent that you or the recipients are required to retain any such Confidential Information by any applicable law, rule or regulation or by any competent judicial, governmental, supervisory or regulatory body or in accordance with internal policy, or where the Confidential Information has been disclosed under sub-paragraph (c) of paragraph 2.2 above.

5. **Continuing Obligations**

The obligations in this letter are continuing and, in particular, shall survive and remain binding on you until (a) if you become a party to the Agreement as a Lender of record, the date on which you become such a party to the Agreement; (b) if you enter into the Acquisition but it does not result in you becoming a party to the Agreement as a Lender of record, the date falling [twelve (12)] months after the date on which all of your rights and obligations contained in the documentation entered into to implement that Acquisition have terminated; or (c) in any other case the date falling [twelve (12)] months after the date of your final receipt (in whatever manner) of any Confidential Information.

6. **No Representation, Consequences of Breach, etc.**

You acknowledge and agree that:

6.1 neither we, nor any member of the Group nor any of our or their respective officers, employees or advisers (each a "**Relevant Person**") (i) make any representation or warranty, express or implied, as to, or assume any responsibility for, the accuracy, reliability or completeness of any of the Confidential Information or any other information supplied by us or the assumptions on which it is based or (ii) shall be under any obligation to update or correct any inaccuracy in the Confidential Information or any other information supplied by us or be otherwise liable to you or any other person in respect of the Confidential Information or any such information; and

6.2 we or members of the Group may be irreparably harmed by the breach of the terms of this letter and damages may not be an adequate remedy; each Relevant Person may be granted an injunction or specific performance for any threatened or actual breach of the provisions of this letter by you.

7. **Entire Agreement: No Waiver, Amendments, etc.**

7.1 This letter constitutes the entire agreement between us in relation to your obligations regarding Confidential Information and supersedes any previous agreement, whether express or implied, regarding Confidential Information.

7.2 No failure to exercise, nor any delay in exercising, any right or remedy under this letter will operate as a waiver of any such right or remedy or constitute an election to affirm this letter. No election to affirm this letter will be effective unless it is in writing. No single or partial exercise of any right or remedy will prevent any further or other exercise or the exercise of any other right or remedy under this letter.

7.3 The terms of this letter and your obligations under this letter may only be amended or modified by written agreement between us.

8. **Inside Information**

You acknowledge that some or all of the Confidential Information is or may be price-sensitive information and that the use of such information may be regulated or prohibited by applicable legislation including securities law relating to insider dealing and market abuse and you undertake not to use any Confidential Information for any unlawful purpose.

9. **Nature of Undertakings**

The undertakings given by you under this letter are given to us and are also given for the benefit of the Company and each other member of the Group.

10. **Third Party Rights**

10.1 Subject to this paragraph 10 and to paragraphs 6 and 9, a person who is not a party to this letter has no right under the Contracts (Rights of Third Parties) Act 1999 (the "Third Parties Act") to enforce or to enjoy the benefit of any term of this letter.

10.2 The Relevant Persons may enjoy the benefit of the terms of paragraphs 6 and 9 subject to and in accordance with this paragraph 10 and the provisions of the Third Parties Act.

10.3 Notwithstanding any provisions of this letter, the parties to this letter do not require the consent of any Relevant Person to rescind or vary this letter at any time.

11. **Governing Law and Jurisdiction**

11.1 This letter (including the agreement constituted by your acknowledgement of its terms) (the "Letter") and any non-contractual obligations arising out of or in connection with it (including any non-contractual obligations arising out of the negotiation of the transaction contemplated by this Letter) are governed by English law.

11.2 The courts of England have non-exclusive jurisdiction to settle any dispute arising out of or in connection with this Letter (including a dispute relating to any non-contractual obligation arising out of or in connection with either this Letter or the negotiation of the transaction contemplated by this Letter).

12. **Definitions**

In this letter (including the acknowledgement set out below) terms defined in the Agreement shall, unless the context otherwise requires, have the same meaning and:

"**Confidential Information**" means all information relating to the Company, any Obligor, the Group, the Finance Documents, [the/a] Facility and/or the Acquisition which is provided to you in relation to

the Finance Documents or [the/a] Facility by us or any of our affiliates or advisers, in whatever form, and includes information given orally and any document, electronic file or any other way of representing or recording information which contains or is derived or copied from such information but excludes information that:

(a) is or becomes public information other than as a direct or indirect result of any breach by you of this letter; or

(b) is identified in writing at the time of delivery as non-confidential by us or our advisers; or

(c) is known by you before the date the information is disclosed to you by us or any of our affiliates or advisers or is lawfully obtained by you after that date, from a source which is, as far as you are aware, unconnected with the Group and which, in either case, as far as you are aware, has not been obtained in breach of, and is not otherwise subject to, any obligation of confidentiality.

"**Group**" means the Company and its subsidiaries for the time being (as such term is defined in the Companies Act 2006).

"**Permitted Purpose**" means considering and evaluating whether to enter into the Acquisition.

Please acknowledge your agreement to the above by signing and returning the enclosed copy.

Yours faithfully

….....

For and on behalf of

[*Seller*]

To: [*Seller*]

The Company and each other member of the Group

We acknowledge and agree to the above:

….....

For and on behalf of

[***Potential Purchaser***]

SCHEDULE 18

FORM OF INCREASE CONFIRMATION

To: [●] as Facility Agent, [[●] as Issuing Bank][4] and GLOBALFOUNDRIES Inc. as Company, for and on behalf of each Obligor

From: [*the Increase Lender*] (the "**Increase Lender**")

Dated:

GLOBALFOUNDRIES Inc. – Revolving and L/C Facilities Agreement
dated [●] 2019 (the "Facilities Agreement")

1. We refer to the Facilities Agreement. This agreement (the "**Agreement**") shall take effect as an Increase Confirmation for the purpose of the Facilities Agreement. Terms defined in the Facilities Agreement have the same meaning in this Agreement unless given a different meaning in this Agreement.

2. We refer to Clause 2.2 (*Increase*) of the Facilities Agreement.

3. The Increase Lender agrees to assume and will assume all of the obligations corresponding to the Commitment specified in the Schedule (the "**Relevant Commitment**") as if it had been an Original Lender under the Facilities Agreement in respect of the Relevant Commitment(s).

4. The proposed date on which the increase in relation to the Increase Lender and the Relevant Commitment is to take effect (the "**Increase Date**") is [ ].

5. On the Increase Date, the Increase Lender becomes party to the relevant Finance Documents as a Lender.

6. The Facility Office and address, fax number and attention details for notices to the Increase Lender for the purposes of Clause 38.2 (*Addresses*) of the Facilities Agreement are set out in the Schedule.

7. The Increase Lender expressly acknowledges the limitations on the Lenders' obligations referred to in paragraph (j) of Clause 2.2 (*Increase*) of the Facilities Agreement.

8. The Increase Lender confirms, for the benefit of the Facility Agent and without liability to any Obligor, that it is:

   (a) in respect of a Lender to a Singapore Borrower:

      (i) [a Singapore Qualifying Lender (other than a Singapore Treaty Lender)];

      (ii) [a Singapore Treaty Lender];

      (iii) [not a Singapore Qualifying Lender];

   (b) in respect of a Lender to a US Borrower:

[4] Only if there is an Issuing Bank in respect of the applicable Facility.

(i) [a US Qualifying Lender];

(ii) [not a US Qualifying Lender];

(c) in respect of a Lender to a German Borrower:

(i) [a German Qualifying Lender (other than a German Treaty Lender)];

(ii) [a German Treaty Lender];

(iii) [not a German Qualifying Lender];

(d) in respect of a Lender to an Other Borrower:

(i) [an Other Qualifying Lender (other than an Other Treaty Lender)];

(ii) [an Other Treaty Lender];

(iii) [not an Other Qualifying Lender].[5]

9. The Increase Lender confirms that it [is / is not] a Sponsor Affiliate.

10. The Increase Lender expressly confirms that it [can/cannot] exempt the Facility Agent from the restrictions pursuant to section 181 of the German Civil Code (*Bürgerliches Gesetzbuch*) and similar restrictions applicable to it pursuant to any other law as provided for in paragraph (c) of Clause 32.1 (*Appointment of the Facility Agent*).

11. [The Increase Lender confirms that it [is / is not] a Non-Acceptable L/C Lender.]

12. [The Increase Lender confirms that it is not a Loan-to-Own/Distressed Investor or an Industry Competitor.]

13. This Agreement may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

14. This Agreement and any non-contractual obligations arising out of or in connection with it governed by English law.

15. This Agreement has been entered into on the date stated at the beginning of this Agreement.

[5] *Delete as applicable - each Increase Lender is required to confirm which of these eight categories it falls within.*

SCHEDULE

Relevant Commitment/rights and obligations

[*insert relevant details*]

[*Facility office address, fax number and attention details for notices and account details for payments*]

[*Increase Lender*]

By:

This Agreement is accepted as an Increase Confirmation for the purposes of the Facilities Agreement by the Facility Agent and the Increase Date is confirmed as [ ].

[*Facility Agent*]

By:

[*Issuing Bank*]

By:

SCHEDULE 19

FORMS OF NOTIFIABLE DEBT PURCHASE TRANSACTION NOTICE

Part A

Form of Notice on entering into Notifiable Debt Purchase Transaction

To: [] as Facility Agent

From: [*The Lender*]

Dated:

GLOBALFOUNDRIES Inc. – Revolving and L/C Facilities Agreement
dated [●] 2019 (the "Facilities Agreement")

1. We refer to paragraph (b) of Clause 30.2 (*Disenfranchisement on Debt Purchase Transactions entered into by Sponsor Affiliates or members of the Group*) of the Facilities Agreement. Terms defined in the Facilities Agreement have the same meaning in this notice unless given a different meaning in this notice.

2. We have entered into a Notifiable Debt Purchase Transaction.

3. The Notifiable Debt Purchase Transaction referred to in paragraph 2 above relates to the amount of our Commitment(s) as set out below.

Commitment	**Amount of our Commitment to which Notifiable Debt Purchase Transaction relates (Base Currency)**
Additional L/C Facility Commitment	[*insert amount (of that Commitment) to which the relevant Debt Purchase Transaction applies*]
Revolving Facility Commitment	[*insert amount (of that Commitment) to which the relevant Debt Purchase Transaction applies*]

[*Lender*]

By:

PART B

Form of Notice on Termination of Notifiable Debt Purchase Transaction / Notifiable Debt Purchase Transaction ceasing to be with Sponsor Affiliate

To: [] as Facility Agent

From: [*The Lender*]

Dated:

GLOBALFOUNDRIES Inc. – Revolving and L/C Facilities Agreement
dated [●] 2019 (the "Facilities Agreement")

1. We refer to paragraph (c) of Clause 30.2 (*Disenfranchisement on Debt Purchase Transactions entered into by Sponsor Affiliates or members of the Group*) of the Facilities Agreement. Terms defined in the Facilities Agreement have the same meaning in this notice unless given a different meaning in this notice.

2. A Notifiable Debt Purchase Transaction which we entered into and which we notified you of in a notice dated [●] has [*terminated* / *ceased to be with a Sponsor Affiliate*].[6]

3. The Notifiable Debt Purchase Transaction referred to in paragraph 2 above relates to the amount of our Commitment(s) as set out below.

Commitment	Amount of our Commitment to which Notifiable Debt Purchase Transaction relates (Currency)
Additional L/C Facility Commitment	[*insert amount (of that Commitment) to which the relevant Debt Purchase Transaction applies*]
Revolving Facility Commitment	[*insert amount (of that Commitment) to which the relevant Debt Purchase Transaction applies*]

[*Lender*]

By:

[6] Delete as applicable.

SCHEDULE 20

EXISTING FINANCE LEASES AND CAPITAL LEASES

As of June 30, 2019 for existing Finance Leases

Description of Finance Lease	**Total Amou** (US$ '00
Germany:	
Dresden EVCI original & extension	54,9
Dresden EVCII original and extension	60,3
Dresden M1_GasFarm_Original_new	21,1
Dresden M2_GasFarm Amendment	31,1
United States:	
F8_GasFarm	17,7
F8_GasFarm ext2	49,1
F8_GasFarm 3O2	2
F8_GasFarm LN2	2
F8_TDC Purifier	6,3
F8_UPGR 16x Equip flow	5,3
F8_UPGR He flow	2
F8_Con BGY 1 BGY 2	1,4
F8_Hydrogen Amend6	5,0
F8_Oxygen Amend6	2,9
F8_Waste System	4
F8_Tank Upgrade Amend9	7
F8_US Bulk Gas Yard 3	69,3
Singapore:	
SNP Elect Gases FAB7 Phase1	2,4
SNP Bulk Gases	18,3
SNP Elect Gases FAB7 Phase7Ca	21,1
SNP Elect Gases FAB7 Phase7Cb	6
SNP SOXAL	37,7
TOTAL FINANCE LEASE OBLIGATIONS	**406,9**

SCHEDULE 21

EXISTING INVESTMENT COMMITMENTS

Part A

Existing loans and guarantees already made or committed to be made

[None as at the Signing Date]

Part B

Other investments already committed

[None as at the Signing Date]

SCHEDULE 22
FORM OF ACCEPTABLE LETTER OF CREDIT

To: [*Beneficiary*]

IRREVOCABLE STANDBY LETTER OF CREDIT NO. [●]

We hereby establish our irrevocable standby Letter of Credit No. [●] (the "**Letter of Credit**") in favour of [●] (the "**Beneficiary**") at the request of [●], a company organized and existing under the laws of [●] (the "**Principal**"), in the maximum aggregate sum of [●]) (such amount being the "**Stated Amount**"), effective immediately and expiring as provided in paragraph 3 of this Letter of Credit, unless otherwise extended.

1. A drawing hereunder may be made on any Business Day prior to the expiration of this Letter of Credit by delivering no later than [11:00 a.m. (London time)] on [*such Business Day*], to [*Name and Address of Issuing Bank*] (the "**Issuing Bank**") (or at such other address as may be designated by the Issuing Bank in a written notice delivered to the Beneficiary), [(i)] a drawing statement of the Beneficiary, in the form of Annex 1 attached hereto, appropriately completed and duly signed by an authorized officer of the Beneficiary, [and (ii) a draft in the form of Annex 2 attached hereto].

2. We hereby agree to honour a drawing hereunder made in strict conformity with the terms and conditions of this Letter of Credit by transferring in immediately available funds in the amount specified in the drawing statement delivered to us in connection with such drawing request to such account at such bank as is specified in such drawing statement delivered to us pursuant to, and in accordance with, paragraph 1 hereof, by [1:00 p.m. (London time)], on [*the Business Day*] following the date of receipt of such drawing request.

3. This Letter of Credit shall expire at the close of banking hours at our office in [same address of Issuing Bank as specified above], on the date which is [one (1) year] from the date hereof (the "**Stated Expiration Date**"); [*provided, however*, that the Stated Expiration Date shall be automatically extended for a period of [one (1) year] effective upon the Stated Expiration Date and each [annual] anniversary of the Stated Expiration Date (each such annual anniversary date being referred to herein as the "**New Stated Expiration Date**")] unless, at least [sixty (60) days] prior to the Stated Expiration Date [*or any such New Stated Expiration Date, as the case may be,*] we notify the Beneficiary (with a copy to the Principal) by [registered mail or similar overnight courier service at the above addresses], that this Letter of Credit shall not be extended beyond the Stated Expiration Date [*or the New Stated Expiration Date, as the case may be*]. If the Beneficiary is so notified, the Beneficiary may at any time on or before the Stated Expiration Date [*or the applicable New Stated Expiration Date, as the case may be,*] draw the full amount available hereunder.

4. If a demand for payment made hereunder does not, in any instance, conform to the terms and conditions of this Letter of Credit, we shall give prompt notice to the person delivering such drawing request that the demand for payment was not effective in accordance with the terms and conditions of this Letter of Credit, stating the reasons therefor, and that we will upon instructions from such person hold any documents at his disposal or return the same to him. Upon being notified that the drawing request was not effected in conformity with this Letter of Credit, the person who submitted the drawing request may attempt to correct any such non-conforming drawing request, provided conforming documents are presented by the Stated Expiration Date [*or the applicable New Stated Expiration Date, as the case may be*].

5. Partial and multiple drawings are permitted under this Letter of Credit.

6. Under no circumstances shall we be obliged to honour any drawing request which does not comply with the terms and conditions set forth herein, and the maximum liability with respect to any request for payment made hereunder shall be the Stated Amount. Upon the payment by us of the amount specified in a drawing statement presented to us in connection with any drawing request hereunder, we shall be fully discharged of our obligations in respect of such drawing request.

7. As used herein, "**Business Day**" shall mean [a day when banks are open for business in [●]].

8. This Letter of Credit is irrevocable and shall not be assigned by us or by the Beneficiary.

9. The Beneficiary shall have no obligation under or in connection with this Letter of Credit to make any payment or reimbursement to us with respect to any drawing hereunder or otherwise.

10. This Letter of Credit is subject to the International Standby Practices (ISP98), International Chamber of Commerce Publication No. 590. This Letter of Credit shall be deemed to be a contract made under the laws of [England and Wales] and shall, as to matters not governed by the International Standby Practices (ISP98), be governed by and construed in accordance with the laws of [*England and Wales*].

11. This is not a contract of guarantee and all payments which are to be made by us hereunder will be made free and clear of and without deduction for or as a result of any set-off or counterclaim or the raising of any defense which would be available to the Principal.

12. In the case of any drawing, as of the date any drawing is honoured, the Stated Amount shall automatically be reduced by an amount equal to 100% of such drawing. Reductions in the Stated Amount resulting from any drawing shall not be reinstated.

13. This Letter of Credit sets forth in full our undertaking, and such undertaking shall not in any way be modified, amended, amplified or limited by reference to any document, instrument or agreement referred to herein, except for Annex 1 [and Annex 2] hereto and the notices referred to herein, and any such reference shall not be deemed to incorporate herein by reference any document, instrument or agreement except for Annex 1 [and Annex 2] hereto.

Yours faithfully,

[*Issuing Bank*]

By:

ANNEX 1
DRAWING STATEMENT UNDER IRREVOCABLE STANDBY LETTER OF CREDIT

NO. [●]

_____, 20__

[*Issuing Bank*]

Attention:

Re: Irrevocable Standby Letter of Credit No. [●]

Ladies and Gentlemen:

The undersigned is making a drawing under the above-referenced Letter of Credit and hereby certifies to you as follows:

1. The person signing on behalf of the undersigned is a duly authorized officer of the undersigned.

2. The undersigned hereby makes demand under the above-referenced Letter of Credit for $[●], which amount is not in excess of the Stated Amount. Such amount is to be transferred to [*insert wire transfer instructions for appropriate account with the Beneficiary*].

3. The undersigned has concurrently presented to you its draft drawn in the amount specified in paragraph 2 above. The date of the draft is the date of this certificate, which is not later than the Stated Expiration Date [*or the applicable New Stated Expiration Date, as the case may be*].

All terms used herein which are defined in the Letter of Credit have the same meanings when used herein.

[*Beneficiary*]

as Beneficiary

By:

ANNEX 2
DRAFT UNDER IRREVOCABLE STANDBY LETTER OF CREDIT

NO. [●]

_____, 20__

At sight pay to [●] at [*Account Information*] the amount of $[●] drawn on [*Issuing Bank*], as issuer of Irrevocable Standby Letter of Credit No. [●], dated _____, 20__.

[_____]

By: _____

Authorised Signatory

EXECUTION PAGES

THE COMPANY

GLOBALFOUNDRIES INC.

By: /s/Douglas Devine
Name: Douglas Devine
Title: CFO

THE ORIGINAL GUARANTORS

GLOBALFOUNDRIES DRESDEN MODULE ONE LIMITED LIABILITY COMPANY & CO. KG
represented by its general partner GLOBALFOUNDRIES Dreseden Module One LLC

By: /s/Thomas Morgenstern
Name: Dr. Thomas Morgenstern
Title: SVP and General Manager

GLOBALFOUNDRIES DRESDEN MODULE TWO LIMITED LIABILITY COMPANY & CO. KG
represented by its general partner GLOBALFOUNDRIES Dreseden Module One LLC

By: /s/Thomas Morgenstern
Name: Dr. Thomas Morgenstern
Title: SVP and General Manager

GLOBALFOUNDRIES SINGAPORE PTE. LTD.

By: /s/Douglas Devine
Name: Douglas Devine
Title: Director
GLOBALFOUNDRIES U.S. INC.

By: /s/Douglas Devine

Name: Douglas Devine
Title: CFO

GLOBALFOUNDRIES NETHERLANDS HOLDING B.V.

By: /s/Cheryl Peck
Name: Cheryl Peck
Title: Director

GLOBALFOUNDRIES MANAGEMENT SERVICES LIMITED LIABILITY COMPANY & CO. KG
represented by its general partner GLOBALFOUNDRIES Dreseden Module Two LLC

By: /s/Thomas Morgenstern
Name: Dr. Thomas Morgenstern
Title: SVP and General Manager

GLOBALFOUNDRIES DRESDEN MODULE ONE LLC

By: /s/Thomas Morgenstern
Name: Thomas Morgenstern
Title: Manager

GLOBALFOUNDRIES DRESDEN MODULE ONE HOLDING GMBH

By: /s/Thomas Morgenstern
Name: Dr. Thomas Morgenstern
Title: Managing Director (*Geschäftsführer*)

GLOBALFOUNDRIES DRESDEN MODULE TWO LLC

By: /s/Thomas Morgenstern
Name: Thomas Morgenstern
Title: Manager

GLOBALFOUNDRIES DRESDEN MODULE TWO HOLDING GMBH

By: /s/Thomas Morgenstern
Name: Dr. Thomas Morgenstern
Title: Managing Director (*Geschäftsführer*)

GLOBALFOUNDRIES (NETHERLANDS) COÖPERATIEF U.A.

By: /s/James Doyle
Name: James Doyle
Title: Board Member A

By: /s/Cheryl Peck
Name: Cheryl Peck
Title: Board Member B

GLOBALFOUNDRIES NETHERLANDS B.V.

By: /s/Cheryl Peck
Name: Cheryl Peck
Title: Director

GLOBALFOUNDRIES U.S. 2 LLC

By: /s/James Doyle
Name: James Doyle
Title: Director

THE ORIGINAL BORROWERS

GLOBALFOUNDRIES INC.

By: /s/Douglas Devine
Name: Douglas Devine
Title: CFO

GLOBALFOUNDRIES SINGAPORE PTE. LTD.

By: /s/Douglas Devine
Name: Douglas Devine
Title: Director

GLOBALFOUNDRIES U.S. INC.

By: /s/Douglas Devine
Name: Douglas Devine
Title: CFO

THE ARRANGERS

DBS BANK LTD.

By: /s/Loy Hwee Chuan

Name: Loy Hwee Chuan, Senior Vice President

By: /s/Ong Yong Hong

Name: Ong Yong Hong, Senior Vice President

CITIBANK, N.A., LONDON BRANCH

By: /s/Sahir Mudasar

Name: Sahir Mudasar, Vice President

[*GF 2019 – RCF and LC Signature Page*]

THE BOOKRUNNERS

DBS BANK LTD.

By: /s/Loy Hwee Chuan

Name: Loy Hwee Chuan, Senior Vice President

By: /s/Ong Yong Hong

Name: Ong Yong Hong, Senior Vice President

CITIBANK N.A., LONDON BRANCH

By: /s/Sahir Mudasar

Name: Sahir Mudasar, Vice President

[*GF 2019 – RCF and LC Signature Page*]

THE ORIGINAL REVOLVING LENDERS

BANK OF AMERICA, N.A.

By: /s/Jakub Piasecki

Name: Jakub Piasecki, Vice President

CITIBANK, N.A.

By: /s/Siddarth Bansal

Name: Siddarth Bansal, Director

[*GF 2019 – RCF and LC Signature Page*]

DBS BANK LTD.

By: /s/Loy Hwee Chuan

Name: Loy Hwee Chuan, Senior Vice President

By: /s/Ong Yong Hong

Name: Ong Yong Hong, Senior Vice President

JPMORGAN CHASE BANK, N.A.

By: /s/Ilinca Mihaescu

Name: Ilinca Mihaescu, Vice President

[*GF 2019 – RCF and LC Signature Page*]

THE ORIGINAL ADDITIONAL L/C LENDER

CITIBANK, N.A.

By: /s/Siddarth Bansal

Name: Siddarth Bansal, Director

THE FACILITY AGENT

CITIBANK EUROPE PLC, UK BRANCH

By: /s/Jane Styles

Name: Jane Styles

[*GF 2019 – RCF and LC Signature Page*]

SHEARMAN & STERLING

Dated 11 NOVEMBER 2020

GLOBALFOUNDRIES INC.
as the Company

THE COMPANIES LISTED IN SCHEDULE 1
together with the Company, as Obligors

THE FINANCIAL INSTITUTIONS LISTED IN SCHEDULE 2
as New Lenders

- and -

CITIBANK EUROPE PLC, UK BRANCH
as Agent

AMENDMENT AGREEMENT
relating to a Revolving and L/C Facilities Agreement
dated 18 October 2019

CONTENTS

THIS AMENDMENT AGREEMENT is made on 11 November 2020

BETWEEN:

(1) **GLOBALFOUNDRIES INC.**, an exempted company incorporated in the Cayman Islands with its registered office at Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands (the "**Company**");

(2) **THE ENTITIES** listed in Part A (*Original Borrowers*) of Schedule 1 (*The Obligors*) as the original borrowers (the "**Original Borrowers**");

(3) **THE ENTITIES** listed in Part B (*Original Guarantors*) of Schedule 1 (*The Obligors*) as the original guarantors (the "**Original Guarantors**");

(4) **BANK OF AMERICA, N.A.**, (the "**Increasing Lender**");

(5) **THE FINANCIAL INSTITUTIONS** listed in Part B (*New Lenders*) Schedule 2 (*The Lenders*) as the new lenders (the "**New Lenders**"); and

(6) **CITIBANK EUROPE PLC, UK BRANCH** as facility agent of the other Finance Parties (the "**Facility Agent**").

WHEREAS:

(A) The Company, the Original Borrowers, the Original Guarantors, the Facility Agent and the financial institutions named therein as Original Lenders entered into a revolving and L/C facilities agreement originally dated 18 October 2019 pursuant to which the Lenders made available to the Original Borrowers a Revolving Facility in an aggregate amount of $235,000,000 and a L/C Facility in an aggregate amount of $20,000,000 (each as defined therein) (the "**Original Facilities Agreement**").

(B) Pursuant to an upsize request letter dated on or about the date of this Amendment Agreement between the Company and the Facility Agent, the Company has requested that the Existing Lenders (as defined therein) consent to an upsize of the Commitments available under the Revolving Facility in an aggregate amount not to exceed $162,500,000 (the "**Upsize Request Letter**").

(C) Pursuant to the Upsize Request Letter, the Increasing Lender and the New Lenders confirmed their intention to participate in the upsize to the Revolving Facility described therein.

(D) The Facility Agent, for itself and on behalf of the Finance Parties, and the Obligors have agreed to enter into this Amendment Agreement in order to amend the terms of the Original Facilities Agreement in accordance with the amendments set out in the Upsize Request Letter in the manner set out below.

(E) The Facility Agent has been authorised to enter into this Amendment Agreement by the requisite Existing Lenders pursuant to the Upsize Request Letter.

(F) The Increasing Lender has agreed to enter into this Amendment Agreement to confirm the amount of additional Commitment confirmed by the Company pursuant to the Form of Response (as defined in the Upsize Request Letter) which was submitted by the Increasing Lender.

(G) The New Lenders have agreed to enter into this Amendment Agreement and become "Lenders" under and in accordance with the Original Facilities Agreement (as amended by this Amendment Agreement).

NOW IT IS HEREBY AGREED:

1. **DEFINITIONS AND INTERPRETATION**

1.1 **Definitions**

In this Amendment Agreement:

"**Amended Facilities Agreement**" means the Original Facilities Agreement, as amended by this Amendment Agreement.

"**Effective Date**" means the date on which the "Effective Time" (as defined in the Upsize Request Letter) occurs.

1.2 **Incorporation of defined terms**

(a) Unless a contrary indication appears, a term defined in the Original Facilities Agreement has the same meaning when used herein.

(b) The principles of construction set out in Clause 1 (*Definitions and Interpretation*) of the Original Facilities Agreement shall also apply in the interpretation hereof as if expressly set out herein with each reference to the "Agreement" being deemed to be a reference to this Amendment Agreement.

1.3 **Clauses**

In this Amendment Agreement, any reference to a "Clause" or a "Schedule" is, unless the context otherwise requires, a Clause of or a Schedule to this Amendment Agreement.

1.4 **Third party rights**

Unless expressly provided to the contrary in a Finance Document, a person who is not a party to this Amendment Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Amendment Agreement.

1.5 **Designation**

In accordance with the Original Facilities Agreement, each of the Company and the Facility Agent designate this Amendment Agreement as a Finance Document.

2. **EFFECTIVE DATE**

Subject to:

(a) no Event of Default having occurred which is continuing; and

(b) the representations and warranties set out in Clause 3 (*Representations*) of this Amendment Agreement being true and accurate,

the amendments to the Original Facilities Agreement referred to in Clause 4 (*Amendments to Original Facilities Agreement*) shall take effect on the Effective Date in accordance with their terms. If the Effective Date has not occurred by (and including) 11.59 p.m. on 31 December 2020 (or such later date as the Facility Agent acting on the instructions of the Finance Parties may agree) none of the amendments referred to in Clause 4 (*Amendments to Original Facilities Agreement*) will take effect.

3. REPRESENTATIONS

On the date of this Amendment Agreement and at the Effective Date, the Company and each Obligor confirm that the Repeating Representations to be made by it are true in all material respects.

4. AMENDMENTS TO ORIGINAL FACILITIES AGREEMENT

4.1 With effect from the Effective Date, the Original Facilities Agreement shall be amended as set out in Schedule 4 (*Amendments to Original Facilities Agreement*).

4.2 With effect from the Effective Date, the Total Revolving Facility Commitments shall be increased by $162,500,000 to $397,500,000 such that:

(a) each New Lender will become a Lender under the Amended Facilities Agreement with a Revolving Facility Commitment as set out in the relevant column opposite its name in Part B (*New Lenders*) of Schedule 2 (*The Lenders*);

(b) each Original Lender will remain an Original Lender under the Amended Facilities Agreement with a Revolving Facility Commitment as set out opposite its name in Part A (*Original Lenders*) of Schedule 2 (*The Lenders*), such amount including any additional Commitment assumed by it pursuant to the Upsize Request Letter; and

(c) each New Lender shall become a party to the Amended Facilities Agreement any other relevant Finance Document as a "Lender", and will assume the same rights and obligations to the other Finance Parties as if it had been party to the Amended Facilities Agreement as an "Original Lender".

4.3 Subject to the terms of this Amendment Agreement, the Original Facilities Agreement will remain in full force and effect and as from the Effective Date references in the Original Facilities Agreement to "this Agreement", "hereunder", "herein" and like terms or to any provision of the Original Facilities Agreement shall be construed as a reference to the Original Facilities Agreement, or such provision, as amended by this Amendment Agreement.

4.4 Except as otherwise provided in this Amendment Agreement, the Finance Documents remain in full force and effect.

5. NEW LENDER CONFIRMATIONS

5.1 Subject to Clause 5.2 below, each New Lender confirms for the benefit of the Facility Agent and without any liability to any Obligor that it can exempt the Facility Agent from the restrictions pursuant to section 181 of the German Civil Code (*Bürgerliches Gesetzbuch*) and similar restrictions applicable to it pursuant to any other law as provided for in paragraph (c) of clause 28.1 (*Appointment of the Facility Agent*) of the Amended Facilities Agreement.

5.2 Notwithstanding Clause 5.1 above, each of Commerzbank AG and Deutsche Bank AG in their capacity as New Lenders confirm for the benefit of the Facility Agent and without any liability to any Obligor that it cannot exempt the Facility Agent from the restrictions pursuant to section 181 of the German Civil Code (*Bürgerliches Gesetzbuch*) and similar restrictions applicable to it pursuant to any other law as provided for in paragraph (c) of clause 28.1 (*Appointment of the Facility Agent*) of the Amended Facilities Agreement.

5.3 Each New Lender confirms for the benefit of the Facility Agent and without any liability to any Obligor that:

(a) it is not a Sponsor Affiliate; and

(b) it is not a Loan-to-Own/Distressed Investor or an Industry Competitor.

5.4 Each New Lender listed in Part B (*New Lenders*) of Schedule 2 (*The Lenders*) confirms, for the benefit of the Facility Agent and without any liability to any Obligor, that its status for the purpose of clause 18.4 (*Lender status confirmation*) of the Amended Facilities Agreement is as set out against its name in that Part B.

5.5 Each New Lender expressly acknowledges the limitations on the Existing Lender's obligations set out in paragraph (c) of clause 25.5 (*Limitation of responsibility of Existing Lenders*) of the Amended Facilities Agreement.

5.6 Each New Lender has delivered to the Facility Agent its Facility Office details and address, email address, fax number and attention details for notices for the purposes of clause 34.2 (*Addressees*) of the Amended Facilities Agreement.

6. GUARANTEE CONFIRMATION

Each Obligor hereby represents, warrants and confirms to and for the benefit of each Finance Party on the date hereof and on the Effective Date that all guarantee and indemnity obligations of it pursuant to Clause 22 (*Guarantee and Indemnity*) of the Original Facilities Agreement shall:

(a) remain in full force and effect notwithstanding any amendments to the Original Facilities Agreement contemplated by this Amendment Agreement; and

(b) extend to any new obligations assumed by any Obligor under the Finance Documents as a result of the Upsize Request Letter or this Amendment Agreement.

7. COSTS AND EXPENSES

The Company shall within five (5) Business Days of demand pay to the Facility Agent the amount of all pre-approved reasonable and documented costs and expenses (including legal fees but excluding any allocations of overhead or internal costs) payable pursuant to Clause 23.2 (*Amendment costs*) in connection with this Amendment Agreement.

8. MISCELLANEOUS

8.1 Clauses 38 (*Notices*), 40 (*Partial Invalidity*) and 50 (*Enforcement*) of the Original Facilities Agreement shall be deemed incorporated in this Amendment Agreement (with such conforming amendments as the

context requires) as if set out herein with each reference to the "Agreement" being deemed to be a reference to this Amendment Agreement.

8.2 Any signature (including, without limitation, (x) any electronic symbol or process attached to, or associated with, a contract or other record and adopted by a person with the intent to sign, authenticate or accept such contract or record and (y) any facsimile, E-pencil or .pdf signature) to this Amendment Agreement through electronic means, shall have the same legal validity and enforceability as a manually executed signature or use of a paper-based record-keeping system to the fullest extent permitted by applicable law.

8.3 This Amendment Agreement may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Amendment Agreement. Delivery of a counterpart of this Amendment Agreement by e-mail attachment or telecopy shall be an effective mode of delivery.

9. **GOVERNING LAW**

This Letter is governed by and shall be construed in accordance with English law. Any non-contractual obligations arising out of or in connection with this Letter are governed by English law.

AS WITNESS the hands of the duly authorised representatives of the parties hereto the day and year first above written.

SCHEDULE 1

THE OBLIGORS

Part A – The Original Borrowers

1. GLOBALFOUNDRIES Inc.
2. GLOBALFOUNDRIES Singapore Pte. Ltd.
3. GLOBALFOUNDRIES U.S. Inc.

Part B – Original Guarantors

1. GLOBALFOUNDRIES Inc.
2. GLOBALFOUNDRIES Dresden Module One Limited Liability Company & Co. KG
3. GLOBALFOUNDRIES Dresden Module Two Limited Liability Company & Co. KG
4. GLOBALFOUNDRIES Singapore Pte. Ltd.
5. GLOBALFOUNDRIES U.S. Inc.
6. GLOBALFOUNDRIES Netherlands Holding B.V.
7. GLOBALFOUNDRIES Management Services Limited Liability Company & Co. KG
8. GLOBALFOUNDRIES Dresden Module One LLC
9. GLOBALFOUNDRIES Dresden Module One Holding GmbH
10. GLOBALFOUNDRIES Dresden Module Two LLC
11. GLOBALFOUNDRIES Dresden Module Two Holding GmbH
12. GLOBALFOUNDRIES (Netherlands) Cooperatief U.A.
13. GLOBALFOUNDRIES Netherlands B.V.
14. GLOBALFOUNDRIES U.S. 2 LLC

SCHEDULE 2

THE LENDERS

Part A – The Original Lenders

Name of Original Lender	**Revolving Facility Commitments as at the Effective Date**
Bank of America, N.A.	$40,000,000
Citibank, N.A.	$70,000,000
DBS Bank Ltd.	$90,000,000
JPMorgan Chase Bank, N.A.	$50,000,000

Part B – New Lenders

Name of New Lender	Revolving Facility Commitments as at the Effective Date	Lender Status Confirmation
Intesa Sanpaolo S.P.A., London Branch	$25,000,000	Not a Singapore Qualifying Lender Not a US Qualifying Lender Not a German Qualifying Lender
Morgan Stanley Senior Funding, Inc.	$25,000,000	Not a Singapore Qualifying Lender A US Qualifying Lender A German Treaty Lender
Deutsche Bank AG	$50,000,000	Not a Singapore Qualifying Lender A US Qualifying Lender A German Qualifying Lender (other than a German Treaty Lender)
ING Bank, A Branch of ING-DIBA AG	$12,500,000	Not a Singapore Qualifying Lender A US Qualifying Lender A German Qualifying Lender (other than a German Treaty Lender)
Commerzbank AG	$10,000,000	A Singapore Treaty Lender A US Qualifying Lender A German Qualifying Lender (other than a German Treaty Lender)
Credit Suisse AG, Cayman Islands Branch	$25,000,000	Not a Singapore Qualifying Lender A US Qualifying Lender A German Treaty Lender

SCHEDULE 3

Conditions Precedent

1. **Corporate Formalities**

(a) A copy of the constitutional documents of each Original Obligor (including for any German Original Obligor (i) an up-to-date electronic chronological commercial register extract (*elektronischer chronologischer Handelsregisterausdruck*), (ii) its articles of association (*Satzung*) or partnership agreement (*Gesellschaftsvertrag*), as applicable, as well as copies of any by-laws and (iii) if applicable, its list of shareholders).

(b) A copy of a good standing certificate with respect to each US Obligor, issued as of a recent date by the Secretary of State or other appropriate official of each US Obligor's jurisdiction of incorporation or organisation.

(c) A copy of a resolution of in respect of any Original Obligor (other than in respect of a German Original Obligor), its board of directors or board of managers, as applicable:

(i) approving the terms of, and the transactions contemplated by, the Amendment Agreement and resolving that it execute such document;

(ii) authorising a specified person or persons to execute the Amendment Agreement on its behalf; and

(iii) authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices to be signed and/or despatched by it under or in connection with the Amendment Agreement.

(d) A specimen of the signature of person(s) authorised by the resolution referred to in paragraph (c) above or otherwise.

(e) If required, a copy of a resolution of the holders of the issued shares and/or interests, as applicable in each Original Obligor (and/or, if applicable, by the supervisory board (*Aufsichtsrat*) and/or advisory board (*Beirat*) of such German Original Obligor), approving the terms of, and the transactions contemplated by, the Amendment Agreement.

(f) A certificate of each Original Obligor (other than in respect of a German Original Obligor) (signed by an Authorised Officer) confirming that borrowing, securing or guaranteeing, as appropriate, the Total Commitments would not cause any borrowing, securing, guaranteeing or similar limit binding on such Original Obligor to be exceeded.

(g) A certificate of an Authorised Officer of the relevant Original Obligor certifying that each copy document relating to it specified in this paragraph 1 of this Schedule 3 (*Conditions Precedent*) is correct, complete and in full force and effect as at a date no earlier than the date of the Amendment Agreement.

(h) A certificate of good standing of the Company as issued by the Registrar of Companies in the Cayman Islands and dated within thirty (30) days of the Amendment Agreement.

2. **Legal Opinions**

(a) A legal opinion of Clifford Chance LLP as to the law of England & Wales, as to the enforceability of the Amendment Agreement, in a form reasonably satisfactory to the Original Lenders and the New Lenders.

(b) A legal opinion of the following legal advisers to the Company and the Original Obligors:

(i) Shearman & Sterling LLP as to German law;

(ii) Maples and Calder as to Cayman Islands law;

(iii) Dentons Rodyk & Davidson LLP as to Singaporean law;

(iv) Hogan Lovells International LLP as to Dutch law; and

(v) Richards, Layton & Finger, P.A. as to Delaware law,

each in a form reasonably satisfactory to the Original Lenders and the New Lenders.

SCHEDULE 4

Amendments to Original Facilities Agreement

(1) In Clause 1.1 (*Definitions*) of the Original Facilities Agreement:

(a) adding the following new definitions such that they appear listed in this clause in alphabetical order:

""**2020 Upsize**" means the upsize of the Revolving Facility in an aggregate amount of up to $162,500,000 which became effective on the Effective Date."

""**Amendment Agreement**" means the amendment agreement relating to this Agreement dated ___ November 2020 between, amongst others, the Company and the Facility Agent.";

""**Collateral Trustee**" means the security agent under the Collateral Trust Agreement.";

"**Creditor Representative**" has the meaning given to that term in the Collateral Trust Agreement.";

""**Effective Date**" has the meaning given to that term in the Amendment Agreement."; and

""**Increasing Lender**" means each Lender (which is not an Original Lender) which participates in the 2020 Upsize, for so long as it holds the Commitment assumed by it pursuant to the 2020 Upsize.";

(b) deleting the definition of "Collateral Trust Agreement" and replacing it with "means, the security trust deed (as amended, supplemented, amended and restated or otherwise modified from time to time) between, among others, the Company, the Facility Agent, the entities named therein as debtors and the Collateral Trustee.";

(c) deleting the references to "Collateral Agent" from paragraphs (m)(i) and (m)(ii)(A) of the definition of "Permitted Security" and replacing them with "Collateral Trustee";

(d) deleting the definition of "Reaffirmation Agreement" and replacing it with "means the reaffirmation agreement dated 17 October 2019 in respect of the collateral trust agreement dated 20 September 2018 between, among others, the Company and Wilmington Trust, National Association as collateral trustee, and executed by the relevant Obligors party to that collateral trust agreement.";

(e) deleting the definition of "Restricted Lender" and replacing it with "means a Lender that notifies the Facility Agent that it is to be regarded as a Lender in respect of whom complying with a given Sanction may result in a violation of, a conflict with, or liability under the EU Blocking Regulation or any national law contemplating a similar anti-boycott regulation for the purpose of this Agreement.";

(f) deleting paragraph (a) of the definition of "Revolving Facility Commitment" and replacing it with "in relation to an Original Lender or an Increasing Lender, the amount in the Base Currency set opposite its name under the heading "Revolving Facility Commitments" in Part D

(*Commitments following the Effective Date*) of Schedule 1 (*The Original Parties*) and the amount of any other Revolving Facility Commitment transferred to it under this Agreement or assumed by it in accordance with Clause 2.2 (*Increase*); and"; and

(g) deleting the definition of "Total Revolving Facility Commitments" and replacing it with "means the aggregate Revolving Facility Commitments, being $397,500,000 as at the Effective Date".

(2) In Clause 1.2 (*Construction*) of the Original Facilities Agreement, adding a new paragraph (q) which reads as follows:

"Any reference in this Agreement to a "Secured Debt Representative" shall be construed as a reference to a "Creditor Representative."

(3) In Clause 4.5 (*Approved Borrowers*) of the Original Facilities Agreement:

(a) in paragraphs (a) and (d) only, adding "and each Increasing Lender" after each occurrence of "each Original Lender"; and

(b) in paragraph (c) only, adding "or each Increasing Lender's (as applicable)" after "each Original Lender's".

(4) In Clause 9.8 (*Affiliates of Lenders as Ancillary Lenders*) of the Original Facilities Agreement including a new paragraph (e) as follows:

"Prior to becoming an Ancillary Lender, such Affiliate of a Lender shall accede to (i) this Agreement as a Lender and (ii) to the Collateral Trust Agreement as a Senior Facility Provider (as defined therein) by delivering to the Collateral Trustee a duly completed accession undertaking in the form scheduled to the Collateral Trust Agreement."

(5) In Clause 9.9 (*Affiliates of Borrowers*) of the Original Facilities Agreement, including a new paragraph (f) as follows:

"No later than contemporaneously with the date on which it becomes a Borrower with respect to an Ancillary Facility, such Affiliate shall accede to the Collateral Trust Agreement as a Debtor (as defined therein) if not already party thereto in such capacity.";

(6) Clause 42.5 (*Replacement of Screen Rate*) of the Original Facilities Agreement shall be deleted and replaced with:

"(a) Subject to Clause 42.4 (*Other exceptions*), any amendment or waiver which relates to:

(i) providing for the use of a Replacement Benchmark; and

(ii)

(A) aligning any provision of any Finance Document to the use of that Replacement Benchmark;

(B) enabling that Replacement Benchmark to be used for the calculation of interest under this Agreement (including, without limitation, any

consequential changes required to enable that Replacement Benchmark to be used for the purposes of this Agreement);

(C) implementing market conventions applicable to that Replacement Benchmark;

(D) providing for appropriate fallback (and market disruption) provisions for that Replacement Benchmark; or

(E) adjusting the pricing to reduce or eliminate, to the extent reasonably practicable, any transfer of economic value from one Party to another as a result of the application of that Replacement Benchmark (and if any adjustment or method for calculating any adjustment has been formally designated, nominated or recommended by the Relevant Nominating Body, the adjustment shall be determined on the basis of that designation, nomination or recommendation),

may be made with the consent of the Facility Agent (acting on the instructions of the Majority Lenders) and the Company.

(b) If, as at 30 September 2021, or, in the event that the regulators publicly announce that the deadline for LIBOR transition for cash products, including loans, will be amended to a date beyond 31 December 2021 (the "Revised Regulatory Deadline"), the date falling three (3) months prior to the Revised Regulatory Deadline, this Agreement provides that the rate of interest for a Loan in Dollars is to be determined by reference to the Screen Rate for LIBOR the Facility Agent (acting on the instructions of the Majority Lenders) and the Company shall enter into negotiations in good faith with a view to agreeing the use of a Replacement Benchmark in relation to Dollars in place of that Screen Rate from and including a date no later than 31 December 2021 or, if applicable, the Revised Regulatory Deadline.

"**Relevant Nominating Body**" means any applicable central bank, regulator or other supervisory authority or a group of them, or any working group or committee sponsored or chaired by, or constituted at the request of, any of them or the Financial Stability Board.

"**Replacement Benchmark**" means a benchmark rate which is:

(a) formally designated, nominated or recommended as the replacement for a Screen Rate by:

(i) the administrator of that Screen Rate; or

(ii) any Relevant Nominating Body,

and if replacements have, at the relevant time, been formally designated, nominated or recommended under both paragraphs, the "Replacement Benchmark" will be the replacement under paragraph (ii) above;

(b) in the opinion of the Majority Lenders and the Company, generally accepted in the international or any relevant domestic syndicated loan markets as the appropriate successor to a Screen Rate; or

(c) in the opinion of the Majority Lenders and the Company, an appropriate successor to a Screen Rate.".

(7) In Schedule 1 (*The Original Parties*) of the Original Facilities Agreement there shall be a new Part D (*Commitments following the Effective Date*) inserted which shall read as follows:

Part D
Commitments following the Effective Date

Name of Lender	**Revolving Facility Commitments**	**Additional L/C Facility Commitments**
Bank of America, N.A.	$40,000,000	–
Citibank, N.A.	$70,000,000	$20,000,000
Commerzbank AG	$10,000,000	–
Credit Suisse AG, Cayman Islands Branch	$25,000,000	–
DBS Bank Ltd.	$90,000,000	–
Deutsche Bank AG	$50,000,000	–
ING Bank, A Branch of ING-DIBA AG	$12,500,000	–
Intesa Sanpaolo S.P.A., London Branch	$25,000,000	–
JPMorgan Chase Bank, N.A.	$50,000,000	–
Morgan Stanley Senior Funding, Inc.	$25,000,000	–
Total Commitments	$397,500,000	$20,000,000

SIGNATORIES

The Company

/s/ David Reeder

Name: David Reeder
Title: CFO
For and on behalf of
GLOBALFOUNDRIES INC.
as Company

The Original Borrowers

/s/ David Reeder

Name: David Reeder
Title: CFO
For and on behalf of
GLOBALFOUNDRIES INC.
as an Original Borrower

/s/ Theodore Castro

Name: Theodore Castro
Title: Director

For and on behalf of
GLOBALFOUNDRIES SINGAPORE PTE. LTD.
as an Original Borrower

/s/ Samak L. Azar

Name: Samak L. Azar
Title: Secretary

For and on behalf of
GLOBALFOUNDRIES U.S. INC.
as an Original Borrower

The Original Guarantors

/s/ David Reeder

Name: David Reeder
Title: CFO
For and on behalf of
GLOBALFOUNDRIES INC.
as an Original Guarantor

/s/ Theodore Castro

Name: Theodore Castro
Title: Director

For and on behalf of
GLOBALFOUNDRIES SINGAPORE PTE. LTD.
as an Original Guarantor

/s/ Samak L. Azar

Name: Samak L. Azar
Title: Secretary

For and on behalf of
GLOBALFOUNDRIES U.S. INC.
as an Original Guarantor

/s/ Samak L. Azar

Name: Samak L. Azar
Title: Manager

For and on behalf of
GLOBALFOUNDRIES DRESDEN MODULE ONE LIMITED LIABILITY COMPANY & CO. KG
represented by its general partner GLOBALFOUNDRIES Dresden Module One LLC
as an Original Guarantor

/s/ Samak L. Azar

Name: Samak L. Azar
Title: Manager

For and on behalf of
GLOBALFOUNDRIES DRESDEN MODULE TWO LIMITED LIABILITY COMPANY & CO. KG
represented by its general partner GLOBALFOUNDRIES Dresden Module One LLC
as an Original Guarantor

/s/ Dirk Gasse

Name: Dirk Gasse
Title: Director

For and on behalf of
GLOBALFOUNDRIES NETHERLANDS HOLDING B.V.
as an Original Guarantor

/s/ Samak L. Azar

Name: Samak L. Azar
Title: Manager

For and on behalf of
GLOBALFOUNDRIES MANAGEMENT SERVICES LIMITED LIABILITY COMPANY & CO. KG
represented by its general partner GLOBALFOUNDRIES Dresden Module Two LLC
as an Original Guarantor

/s/ Samak L. Azar

Name: Samak L. Azar
Title: Manager

For and on behalf of
GLOBALFOUNDRIES DRESDEN MODULE ONE LLC
as an Original Guarantor

/s/ Samak L. Azar

Name: Samak L. Azar
Title: Managing Director (Geschäftsführer)

For and on behalf of
GLOBALFOUNDRIES DRESDEN MODULE ONE HOLDING GMBH
as an Original Guarantor

/s/ Samak L. Azar

Name: Samak L. Azar
Title: Manager

For and on behalf of
GLOBALFOUNDRIES DRESDEN MODULE TWO LLC
as an Original Guarantor

/s/ Samak L. Azar

Name: Samak L. Azar
Title: Managing Director (Geschäftsführer)

For and on behalf of
GLOBALFOUNDRIES DRESDEN MODULE TWO HOLDING GMBH
as an Original Guarantor

By: /s/Carmine Joseph Mele

Name: Carmine Joseph Mele
Title: Management Board Member A

By: /s/Dirk Gasse

Name: Dirk Gasse
Title: Management Board Member B

For and on behalf of
GLOBALFOUNDRIES (NETHERLANDS) COÖPERATIEF U.A.
as an Original Guarantor

By: /s/Dirk Gasse

Name: Dirk Gasse
Title: Director

GLOBALFOUNDRIES NETHERLANDS B.V.
as an Original Guarantor

/s/Michael Cadigan

Name: Michael Cadigan
Title: Director

GLOBALFOUNDRIES U.S. 2 LLC
as an Original Guarantor

THE NEW LENDERS

COMMERZBANK AG

By: /s/Andreas Roth

Name: Andreas Roth

By: /s/Hayo Schimidt

Name: Hayo Schmidt

CREDIT SUISSE AG, CAYMAN ISLANDS BRANCH

By:
/s/William O'Daly
Name: William O'Daly
Title: Authorized Signatory

By:
/s/Komal Shah
Name: Komal Shah
Title: Authorized Signatory

DEUTSCHE BANK AG

By: /s/Mark Dixson

Name: Mark Dixson, Managing Director

By: /s/Ray Dukes

Name: Ray Dukes, Vice President

ING BANK, A BRANCH OF ING-DIBA AG

By: /s/Robert Sunderman

Name: Robert Sunderman, Managing Director

By: /s/Marco Griefahn

Name: Marco Griefahn, Director

INTESA SANPAOLO S.P.A., LONDON BRANCH

By: /s/Flavio Stellini

Name: Flavio Stellini, Managing Director

By /s/Roberto Ravaziol

Name: Roberto Ravaziol, Managing Director

MORGAN STANLEY SENIOR FUNDING, INC.

By: /s/Michael King

Name: Michael King

THE INCREASING LENDER

BANK OF AMERICA, N.A.

By: /s/Damien Orban

Name: Damien Orban

The Facility Agent

.....

Name:

For and on behalf of
Citibank Europe Plc, UK Branch
in its capacity as Facility Agent
(acting on the instructions of the requisite Lenders)

SHEARMAN & STERLING

Execution Version

Dated 13 October 2021

GLOBALFOUNDRIES INC.
as the Company

THE COMPANIES LISTED IN SCHEDULE 1
together with the Company, as Obligors

THE FINANCIAL INSTITUTIONS LISTED IN SCHEDULE 2
as New Lenders

THE FINANCIAL INSTITUTIONS LISTED IN SCHEDULE 2
as Increasing Lenders

HSBC SECURITIES (USA), INC.
as Sustainability Structuring Agent

- and -

CITIBANK EUROPE PLC, UK BRANCH
as Facility Agent

AMENDMENT AGREEMENT
relating to a Revolving and L/C Facilities Agreement
originally dated 18 October 2019

CONTENTS

THIS AMENDMENT AGREEMENT is made on 13 October 2021

BETWEEN:

(1) **GLOBALFOUNDRIES INC.**, an exempted company incorporated in the Cayman Islands with its registered office at Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands (the "**Company**");

(2) **THE ENTITIES** listed in Part A (*Original Borrowers*) of Schedule 1 (*The Obligors*) as the original borrowers (the "**Original Borrowers**");

(3) **THE ENTITIES** listed in Part B (*Original Guarantors*) of Schedule 1 (*The Obligors*) as the original guarantors (the "**Original Guarantors**");

(4) **THE FINANCIAL INSTITUTIONS** listed in Part A (*Increasing Lenders*) of Schedule 2 (*The Lenders*) (the "**Increasing Lenders**");

(5) **THE FINANCIAL INSTITUTIONS** listed in Part B (*New Lenders*) of Schedule 2 (*The Lenders*) as the new lenders (the "**New Lenders**");

(6) **CITIBANK EUROPE PLC, UK BRANCH** as facility agent of the other Finance Parties (the "**Facility Agent**"); and

(7) **HSBC SECURITIES (USA), INC.** as Sustainability Structuring Agent (as defined in the Amended Facilities Agreement (as defined below)).

WHEREAS:

(A) The Company, the Original Borrowers, the Original Guarantors, the Facility Agent and the financial institutions named therein as Original Lenders entered into a revolving and L/C facilities agreement originally dated 18 October 2019 pursuant to which the Lenders made available to the Original Borrowers a Revolving Facility in an aggregate amount of $235,000,000 and a L/C Facility in an aggregate amount of $20,000,000 (each as defined therein) (the "**2019 Facilities Agreement**", and as amended pursuant to the 2020 Amendment Agreement (as defined below) the "**Original Facilities Agreement**").

(B) The Company and, among others, the Facility Agent entered into an amendment agreement dated 11 November 2020 (the "**2020 Amendment Agreement**") relating to the 2019 Facilities Agreement. Pursuant to the 2020 Amendment Agreement the Increasing Lender and the New Lenders (each as defined therein) agreed to upsize the Commitments available under the Revolving Facility in an aggregate amount not to exceed $162,500,000.

(C) Pursuant to an upsize request letter dated on or about the date of this Amendment Agreement between the Company and the Facility Agent, the Company has requested that the Existing Lenders (as defined therein) consent to a further upsize of the Commitments available under the Revolving Facility in an aggregate amount not to exceed $625,000,000 (the "**Upsize Request Letter**").

(D) Pursuant to the Upsize Request Letter, the Increasing Lenders and the New Lenders confirmed their intention to participate in the upsize to the Revolving Facility described therein.

(E) The Facility Agent, for itself and on behalf of the Finance Parties, and the Obligors have agreed to enter into this Amendment Agreement in order to amend the terms of the Original Facilities Agreement in accordance with Clause 4 (*Amendments to Original Facilities Agreement*).

(F) The Facility Agent has been authorised to enter into this Amendment Agreement by the requisite Existing Lenders pursuant to the Upsize Request Letter.

(G) The Increasing Lenders have agreed to enter into this Amendment Agreement to confirm the amount of additional Commitment confirmed by the Company pursuant to the Form of Response (as defined in the Upsize Request Letter) which was submitted by each Increasing Lender.

(G) The New Lenders have agreed to enter into this Amendment Agreement and become "Lenders" under and in accordance with the Original Facilities Agreement (as amended by this Amendment Agreement).

NOW IT IS HEREBY AGREED:

1. **DEFINITIONS AND INTERPRETATION**

1.1 **Definitions**

In this Amendment Agreement:

"**Amended Facilities Agreement**" means the Original Facilities Agreement, as amended by this Amendment Agreement.

"**Effective Date**" means the date on which the "Effective Time" (as defined in the Upsize Request Letter) occurs.

1.2 **Incorporation of defined terms**

(a) Unless a contrary indication appears, a term defined in the Original Facilities Agreement has the same meaning when used herein.

(b) The principles of construction set out in clause 1 (*Definitions and Interpretation*) of the Original Facilities Agreement shall also apply in the interpretation hereof as if expressly set out herein with each reference to the "Agreement" being deemed to be a reference to this Amendment Agreement.

1.3 **Clauses**

In this Amendment Agreement, any reference to a "Clause" or a "Schedule" is, unless the context otherwise requires, a Clause of or a Schedule to this Amendment Agreement.

1.4 **Third party rights**

Unless expressly provided to the contrary in a Finance Document, a person who is not a party to this Amendment Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Amendment Agreement.

1.5 **Designation**

In accordance with the Original Facilities Agreement, each of the Company and the Facility Agent designate this Amendment Agreement as a Finance Document.

2. EFFECTIVE DATE

Subject to:

(a) no Event of Default having occurred which is continuing; and

(b) the representations and warranties set out in Clause 3 (*Representations*) of this Amendment Agreement being true and accurate,

the amendments to the Original Facilities Agreement referred to in Clause 4 (*Amendments to Original Facilities Agreement*) shall take effect on the Effective Date in accordance with their terms. If the Effective Date has not occurred by (and including) 11.59 p.m. on 31 January 2022 (or such later date as the Facility Agent acting on the instructions of the Finance Parties may agree) none of the amendments referred to in Clause 4 (*Amendments to Original Facilities Agreement*) will take effect.

3. REPRESENTATIONS

On the date of this Amendment Agreement and at the Effective Date, the Company and each Obligor confirm that the Repeating Representations to be made by it are true in all material respects.

4. AMENDMENTS TO ORIGINAL FACILITIES AGREEMENT

4.1 With effect from the Effective Date, the Original Facilities Agreement shall be amended as set out in Schedule 4 (*Amendments to Original Facilities Agreement*).

4.2 With effect from the Effective Date, the Total Revolving Facility Commitments shall be increased by $625,000,000 to $1,000,000,000 such that:

(a) each New Lender will become a Lender under the Amended Facilities Agreement with a Revolving Facility Commitment as set out in the relevant column opposite its name in Part B (*New Lenders*) of Schedule 2 (*The Lenders*);

(b) each Increasing Lender will remain a Lender under the Amended Facilities Agreement with a Revolving Facility Commitment as set out opposite its name in Part A (*Increasing Lenders*) of Schedule 2 (*The Lenders*), such amount including any additional Commitment assumed by it pursuant to the Upsize Request Letter;

(c) each New Lender shall become a party to the Amended Facilities Agreement, any other relevant Finance Document as a "Lender" and will assume the same rights and obligations to the other Finance Parties as if it had been party to the Amended Facilities Agreement as an "Original Lender"; and

(d) the Revolving Facility Commitments of Commerzbank AG and ING Bank, A Branch of ING-DIBA AG shall be reduced to zero notwithstanding the requirements of Clause 11.3 (*Voluntary cancellation*) to provide ten Business Days' notice and to reduce the Commitments of the Lenders under the Revolving Facility rateably.

4.3 To the extent any Revolving Facility Loans are outstanding on the Effective Date, the relevant Borrower shall prepay the participations of Commerzbank AG and ING Bank, A Branch of ING-DIBA AG under those Revolving Facility Loans in full (together with all accrued interest, Break Costs and all other amounts accrued under the Finance Documents in respect of such participation) notwithstanding the requirements of Clause 11.4 (*Voluntary prepayment of Utilisations*) to provide 5 Business Days' notice and Clause 13.8 (*Application of prepayments*) for any prepayment to be applied pro rata to each Lenders' participation in that Loan.

4.4 Subject to the terms of this Amendment Agreement, the Original Facilities Agreement will remain in full force and effect and as from the Effective Date references in the Original Facilities Agreement to "this Agreement", "hereunder", "herein" and like terms or to any provision of the Original Facilities Agreement shall be construed as a reference to the Original Facilities Agreement, or such provision, as amended by this Amendment Agreement.

4.5 Except as otherwise provided in this Amendment Agreement, the Finance Documents remain in full force and effect.

5. **NEW LENDER CONFIRMATIONS**

5.1 Each New Lender confirms for the benefit of the Facility Agent and without any liability to any Obligor that it can exempt the Facility Agent from the restrictions pursuant to section 181 of the German Civil Code (*Bürgerliches Gesetzbuch*) and similar restrictions applicable to it pursuant to any other law as provided for in paragraph (c) of clause 32.1 (*Appointment of the Facility Agent*) of the Amended Facilities Agreement.

5.2 Each New Lender confirms for the benefit of the Facility Agent and without any liability to any Obligor that:

(a) it is not a Sponsor Affiliate; and

(b) it is not a Loan-to-Own/Distressed Investor or an Industry Competitor.

5.3 Each New Lender listed in Part B (*New Lenders*) of Schedule 2 (*The Lenders*) confirms, for the benefit of the Facility Agent and without any liability to any Obligor, that its status for the purpose of clause 18.4 (*Lender status confirmation*) of the Amended Facilities Agreement is as set out against its name in that Part B.

5.4 Each New Lender expressly acknowledges the limitations on the Existing Lender's obligations set out in paragraph (c) of clause 29.5 (*Limitation of responsibility of Existing Lenders*) of the Amended Facilities Agreement.

5.5 Each New Lender has delivered to the Facility Agent its Facility Office details and address, email address, fax number and attention details for notices for the purposes of clause 38.2 (*Addressees*) of the Amended Facilities Agreement.

6. **GUARANTEE AND SECURITY CONFIRMATION**

Each Obligor hereby represents, warrants, reaffirms and confirms to and for the benefit of each Finance Party on the date hereof and on the Effective Date that:

(a) the Security granted by the Obligors pursuant to the Transaction Security Documents will secure, without limitation, all of the obligations of the Obligors under the Finance Documents notwithstanding the amendments to the Original Facilities Agreement contemplated by this Amendment Agreement and extend to any new obligations assumed by any Obligor under the Finance Documents as a result of the Upsize Request Letter or this Amendment Agreement;

(b) that the execution and delivery of the Upsize Request Letter or this Amendment Agreement shall not operate as a waiver of any right, power or remedy of the Facility Agent or any secured party under any Transaction Security Document or serve to effect a novation of the obligations of the Obligors; and

(c) the guarantee and indemnity obligations of it pursuant to clause 22 (*Guarantee and Indemnity*) of the Original Facilities Agreement shall:

(i) remain in full force and effect notwithstanding any amendments to the Original Facilities Agreement contemplated by this Amendment Agreement; and

(ii) extend to any new obligations assumed by any Obligor under the Finance Documents as a result of the Upsize Request Letter or this Amendment Agreement.

7. CONDITIONS SUBSEQUENT

The Company shall procure that, within ninety (90) days after the Effective Date:

(a) the following security documents are entered into:

(i) a Dutch law second ranking pledge relating to the Dutch law deed of pledge of shares dated 28 January 2021 between GLOBALFOUNDRIES (Netherlands) Coöperatief U.A. (as Pledgor), the Security Agent (as Pledgee) and GLOBALFOUNDRIES Netherlands Holding B.V. (as Company);

(ii) a Dutch law second ranking pledge relating to the Dutch law agreement and deed of pledge of cooperative membership interests dated 28 January 2021 between GLOBALFOUNDRIES Inc. and GLOBALFOUNDRIES Investments LLC (as Pledgors), the Security Agent (as Pledgee) and GLOBALFOUNDRIES (Netherlands) Coöperatief U.A. (as Cooperative),

(the documents set out in paragraphs (i) and (ii) above together, being the "**Dutch Supplemental CS Security Documents**"); and

(iii) a Singapore law governed supplemental share security between GLOBALFOUNDRIES Inc. and the Security Agent relating to the Singapore share charge dated 28 January 2021 between GLOBALFOUNDRIES Inc. and the Security Agent (the "**Singapore Supplemental CS Security Document**" and, together with the Dutch Supplemental CS Security Documents, the "**Supplemental CS Security Documents**").

(b) the Facility Agent is provided with:

(i) a copy of each of the relevant Supplemental CS Security Documents;

(ii) a legal opinion of Clifford Chance Pte. Ltd. as to the enforceability of the Singapore Supplemental CS Security Document in a form reasonably satisfactory to the Lenders;

(iii) a legal opinion of the following legal advisors to the Company and the Original Guarantors:

(A) Maples and Calder as to Cayman Islands law;

(B) Hogan Lovells LLP as to Dutch Law,

each in a form reasonably satisfactory to the Lenders;

(iv) a certified copy of the relevant updated members / shareholders register (as applicable) reflecting the Dutch Supplemental CS Security Documents; and

(v) a certified copy of the updated register of mortgages and charges of GLOBALFOUNDRIES Inc. reflecting the entry of the Singapore Supplemental CS Security Document.

8. **COSTS AND EXPENSES**

The Company shall within five (5) Business Days of demand pay to the Facility Agent the amount of all pre-approved reasonable and documented costs and expenses (including legal fees but excluding any allocations of overhead or internal costs) payable pursuant to clause 23.2 (*Amendment costs*) of the Original Facilities Agreement in connection with this Amendment Agreement.

9. **MISCELLANEOUS**

9.1 Clauses 38 (*Notices*), 40 (*Partial Invalidity*) and 50 (*Enforcement*) of the Original Facilities Agreement shall be deemed incorporated in this Amendment Agreement (with such conforming amendments as the context requires) as if set out herein with each reference to the "Agreement" being deemed to be a reference to this Amendment Agreement.

9.2 Any signature (including, without limitation, (x) any electronic symbol or process attached to, or associated with, a contract or other record and adopted by a person with the intent to sign, authenticate or accept such contract or record and (y) any facsimile, E-pencil or .pdf signature) to this Amendment Agreement through electronic means, shall have the same legal validity and enforceability as a manually executed signature or use of a paper-based record-keeping system to the fullest extent permitted by applicable law.

9.3 This Amendment Agreement may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Amendment Agreement. Delivery of a counterpart of this Amendment Agreement by e-mail attachment or telecopy shall be an effective mode of delivery.

10. **GOVERNING LAW**

This Letter is governed by and shall be construed in accordance with English law. Any non-contractual obligations arising out of or in connection with this Letter are governed by English law.

AS WITNESS the hands of the duly authorised representatives of the parties hereto the day and year first above written.

SCHEDULE 1

THE OBLIGORS

Part A – The Original Borrowers

1. GLOBALFOUNDRIES Inc.
2. GLOBALFOUNDRIES Singapore Pte. Ltd.
3. GLOBALFOUNDRIES U.S. Inc.

Part B – Original Guarantors

1. GLOBALFOUNDRIES Inc.
2. GLOBALFOUNDRIES Dresden Module One Limited Liability Company & Co. KG
3. GLOBALFOUNDRIES Dresden Module Two Limited Liability Company & Co. KG
4. GLOBALFOUNDRIES Singapore Pte. Ltd.
5. GLOBALFOUNDRIES U.S. Inc.
6. GLOBALFOUNDRIES Netherlands Holding B.V.
7. GLOBALFOUNDRIES Management Services Limited Liability Company & Co. KG
8. GLOBALFOUNDRIES Dresden Module One LLC
9. GLOBALFOUNDRIES Dresden Module One Holding GmbH
10. GLOBALFOUNDRIES Dresden Module Two LLC
11. GLOBALFOUNDRIES Dresden Module Two Holding GmbH
12. GLOBALFOUNDRIES (Netherlands) Cooperatief U.A.
13. GLOBALFOUNDRIES U.S. 2 LLC

SCHEDULE 2

THE LENDERS

Part A – Increasing Lenders

Name of Increasing Lender	Revolving Facility Commitments as at the Effective Date
Bank of America, N.A.	$118,000,000
DBS Bank Ltd.	$118,000,000
Intesa Sanpaolo S.P.A., London Branch	$118,000,000
JPMorgan Chase Bank, N.A.	$118,000,000
Morgan Stanley Senior Funding, Inc.	$118,000,000
Citibank, N.A.	$90,000,000
Deutsche Bank AG	$90,000,000
Credit Suisse AG, Cayman Islands Branch	$90,000,000

Part B – New Lenders

Name of New Lender	Revolving Facility Commitments as at the Effective Date	Lender Status Confirmation
HSBC Bank USA, National Association	$90,000,000	Not a Singapore Qualifying Lender A US Qualifying Lender A German Treaty Lender
First Abu Dhabi Bank PJSC	$50,000,000	Not a Singapore Qualifying Lender Not a US Qualifying Lender Not a German Qualifying Lender

SCHEDULE 3

Conditions Precedent

1. **Corporate Formalities**

(a) A copy of the constitutional documents of each Original Obligor (including for any German Original Obligor (i) an up-to-date electronic chronological commercial register extract (*elektronischer chronologischer Handelsregisterausdruck*), (ii) its articles of association (*Satzung*) or partnership agreement (*Gesellschaftsvertrag*), as applicable, as well as copies of any by-laws and (iii) if applicable, its list of shareholders).

(b) A copy of a good standing certificate with respect to each US Obligor, issued as of a recent date by the Secretary of State or other appropriate official of each US Obligor's jurisdiction of incorporation or organisation.

(c) A copy of a resolution of in respect of any Original Obligor (other than in respect of a German Original Obligor), its board of directors or board of managers, as applicable:

(i) approving the terms of, and the transactions contemplated by, the Amendment Agreement and resolving that it execute such document;

(ii) authorising a specified person or persons to execute the Amendment Agreement on its behalf; and

(iii) authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices to be signed and/or despatched by it under or in connection with the Amendment Agreement.

(d) A specimen of the signature of person(s) authorised by the resolution referred to in paragraph (c) above or otherwise.

(e) If required, a copy of a resolution of the holders of the issued shares and/or interests, as applicable in each Original Obligor (and/or, if applicable, by the supervisory board (*Aufsichtsrat*) and/or advisory board (*Beirat*) of such German Original Obligor), approving the terms of, and the transactions contemplated by, the Amendment Agreement.

(f) A certificate of each Original Obligor (other than in respect of a German Original Obligor) (signed by an Authorised Officer) confirming that borrowing, securing or guaranteeing, as appropriate, the Total Commitments would not cause any borrowing, securing, guaranteeing or similar limit binding on such Original Obligor to be exceeded.

(g) A certificate of an Authorised Officer of the relevant Original Obligor certifying that each copy document relating to it specified in this paragraph 1 of this Schedule 3 (*Conditions Precedent*) is correct, complete and in full force and effect as at a date no earlier than the date of the Amendment Agreement.

(h) A certificate of good standing of the Company as issued by the Registrar of Companies in the Cayman Islands and dated within thirty (30) days of the Amendment Agreement.

2. **Legal Opinions**

(a) A legal opinion of Clifford Chance LLP as to the law of England & Wales, as to the enforceability of the Amendment Agreement, in a form reasonably satisfactory to the Increasing Lenders and the New Lenders.

(b) A legal opinion of the following legal advisers to the Company and the Original Obligors:

(i) Shearman & Sterling LLP as to German law;

(ii) Maples and Calder as to Cayman Islands law;

(iii) Dentons Rodyk & Davidson LLP as to Singaporean law;

(iv) Hogan Lovells International LLP as to Dutch law; and

(v) Richards, Layton & Finger, P.A. as to Delaware law,

each in a form reasonably satisfactory to the Increasing Lenders and the New Lenders.

SCHEDULE 4

Amendments to Original Facilities Agreement

(1) On the front page, adding:

"**- and -**

HSBC SECURITIES (USA), INC.
as Sustainability Structuring Agent"

(2) In the parties clause:

(a) adding:

"(8) **HSBC SECURITIES (USA), INC.** as sustainability structuring agent (the "**Sustainability Structuring Agent**")."; and

(b) deleting "and" at the end of paragraph (6) thereof and the replacing the full stop at the end of paragraph (7) thereof with "; and".

(3) In Clause 1.1 (*Definitions*) of the Original Facilities Agreement:

(a) adding the following new definitions such that they appear listed in this clause in alphabetical order:

""**2021 Amendment Agreement**" means the amendment agreement relating to this Agreement dated ___ October 2021 between, amongst others, the Company and the Facility Agent.";

""**2021 Amendment Agreement Signing Date**" means the date of the 2021 Amendment Agreement.";

"**2021 Effective Date**" has the meaning given to the term "Effective Date" in the 2021 Amendment Agreement.";

""**2021 Upsize**" means the upsize of the Revolving Facility in an aggregate amount of up to $625,000,000 which became effective on the 2021 Effective Date.";

"**ESG KPIs**" means the relevant environmental, social and governance key performance indicators which apply to the Group as defined in Schedule 23 (*Sustainability Target Values*), as the same may be amended from time to time by the Company and subject to the consent of the Majority Lenders.";

""**Sustainability Adjustment**" has the meaning given to that term in the definition of "Margin".";

""**Sustainability Certificate**" means the certificate substantially in the form set out in Schedule 24 (*Form of Sustainability Certificate*).";

""**Sustainability Target Value**" means in respect of a Financial Year, the value or percentage specified opposite an ESG KPI for that Financial Year in Schedule 23 (*Sustainability Target*

Values), as the same may be updated from time to time by the Company and subject to the consent of the Majority Lenders.";

(b) deleting the definition of "Change of Control" and replacing it with:

""**Change of Control**" means the occurrence of an event resulting in (i) an entity wholly owned (directly or indirectly) by the government of the Emirate of Abu Dhabi ceasing to Control the Company; or (ii) the Company ceasing to Control any Borrower, other than (in the case of paragraph (i) only) pursuant to a public offering (and/or international and/or domestic private placement to institutional investors) on any stock exchange of the shares of common stock or common equity interests of the Company (or any holding company of the Company), whether by the issuance of new common stock or equity interests or the sale of existing common stock or equity interests, which occurs on a date following 18 months after the 2021 Amendment Agreement Signing Date.";

(c) deleting the definition of "Final Maturity Date" and replacing it with:

""**Final Maturity Date**" means:

(a) in relation to the Additional L/C Facility, the date falling five (5) years after the 2021 Amendment Agreement Signing Date;

(b) in relation to the Revolving Facility, the date falling five (5) years after the 2021 Amendment Agreement Signing Date.";

(d) deleting the definition of "Increasing Lender" and replacing it with:

""Increasing Lender" means each Lender (which is not an Original Lender) which participates in the 2020 Upsize or the 2021 Upsize, for so long as it holds the Commitments assumed by it pursuant to the 2020 Upsize and/or the 2021 Upsize (as applicable).";

(e) deleting paragraph (a) of the definition of "Margin" and replacing it with:

"(a) in relation to any Revolving Facility Loan means 2.25% per annum, commencing on the 2021 Amendment Agreement Signing Date, and subject to Clause 14.5 (*Sustainability*), as adjusted (if at all) (the "**Sustainability Adjustment**") in accordance with the grid set out below relating to the Sustainability Target Value achieved by the Group with respect to the ESG KPIs for the immediately preceding Financial Year (as evidenced by the Sustainability Certificate relating to the immediately preceding Financial Year):

Sustainability Target Value	**Applicable Margin (per annum) per ESG KPI**
ESG KPI 1	ESG KPI met = minus 0.025% ESG KPI not met = plus 0.025%
ESG KPI 2	ESG KPI met = minus 0.025% ESG KPI is <20% = plus 0.025%
ESG KPI 3	ESG KPI met = minus 0.025% ESG KPI is ≤170 = plus 0.025%

(f) deleting the definition of "Total Revolving Facility Commitments" and replacing it with "means the aggregate Revolving Facility Commitments, being $1,000,000,000 as at the Effective Date".

(4) Deleting subparagraphs (i) and (ii) of paragraph (a) of Clause 17.1 (*Commitment Fee*) and replacing them with:

(i) in relation to the Additional L/C Facility, 20.0% of the applicable Margin for the Availability Period applicable to the Additional L/C Facility; and

(ii) in relation to the Revolving Facility, 20.0% of the applicable Margin for the Availability Period applicable to the Revolving Facility.

(5) Adding a new Clause 14.5 (*Sustainability*), as follows:

(a) The Company shall supply to the Facility Agent and each Lender, within 180 days after the end of every Financial Year, commencing with the Financial Year ending on 31 December 2021:

(i) a duly completed Sustainability Certificate signed by an authorised signatory of the Company; and

(ii) information in reasonable detail on the ESG KPIs and the Group's performance in respect of the ESG KPIs for the relevant Financial Year and, to the extent applicable for the relevant ESG KPI, independent verification or a negative assurance statement from any auditing or consulting firm designated from time to time by the Borrower (or any replacement firm thereof as designated from time to time by the Borrower);

(b) The Margin will be adjusted by the Sustainability Adjustment (if at all) for that Financial Year and any such adjustment to take effect from the date which is three (3) Business Days after the Company has delivered a Sustainability Certificate and the information referred to in Clause 14.5 (a)(ii).

(c) No Event of Default will occur by reason only of a failure by the Company to not meet any ESG KPI or comply with this Clause 14.5.

(6) Deleting paragraph (b) of Clause 15.1 (*Selection*) and replacing with:

(b) Subject to this Clause 15, a Borrower (or the Company) may select an Interest Period of one (1), three (3) or six (6) Months or any other period agreed between the Company and the Facility Agent (acting on the instructions of all the Lenders in relation to the relevant Loan).

(7) Adding a new paragraph 17.1(d), as follows:

In addition to the times specified in Clause 17.1(b) above, the accrued commitment fee is also payable on the 2021 Effective Date to Lenders with Commitments immediately prior to the occurrence of the 2021 Effective Date.

(8) Adding a new Clause 32.20 (*Amounts paid in error*), as follows:

(a) If the Agent pays an amount to another Party and the Agent notifies that Party that such payment was an Erroneous Payment then the Party to whom that amount was paid by the Agent shall on demand refund the same to the Agent together with interest on that amount from the date of payment to the date of receipt by the Agent, calculated by the Agent to reflect its cost of funds.

(b) Neither:

(i) the obligations of any Party to the Agent; nor

(ii) the remedies of the Agent,

(whether arising under this Clause 32.30 or otherwise) which relate to an Erroneous Payment will be affected by any act, omission, matter or thing (including, without limitation, any obligation pursuant to which an Erroneous Payment is made) which, but for this paragraph (b), would reduce, release, preclude or prejudice any such obligation or remedy (whether or not known by the Agent or any other Party).

(c) All payments to be made by a Party to the Agent (whether made pursuant to this Clause 32.30 or otherwise) which relate to an Erroneous Payment shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

(d) In this Agreement, "**Erroneous Payment**" means a payment of an amount by the Agent to another Party which the Agent determines (in its sole discretion) was made in error."

(9) Adding a new Clause 32.21 (*Sustainability Structuring Agent*), as follows:

"The Company appoints the Sustainability Structuring Agent as sustainability structuring agent in connection with the provisions relating to environmental, social and governance requirements in accordance with the terms of the mandate letter dated on or around the 2021 Amendment Agreement Signing Date between the Sustainability Structuring Agent and the Company."

(10) In Schedule 1 (*The Original Parties*) of the Original Facilities Agreement there shall be a new Part D (*Commitments following the 2021 Effective Date*) inserted which shall read as follows:

Part D
Commitments following the 2021 Effective Date

Name of Lender	Revolving Facility Commitments	Additional L/C Facility Commitments
Bank of America, N.A.	$118,000,000	–
Citibank, N.A.	$90,000,000	$20,000,000
Credit Suisse AG, Cayman Islands Branch	$90,000,000	–
DBS Bank Ltd.	$118,000,000	–
Deutsche Bank AG	$90,000,000	–
First Abu Dhabi Bank PJSC	$50,000,000	–
HSBC Bank USA, National Association	$90,000,000	–
Intesa Sanpaolo S.P.A., London Branch	$118,000,000	–
JPMorgan Chase Bank, N.A.	$118,000,000	–
Morgan Stanley Senior Funding, Inc.	$118,000,000	–
Total Commitments	$1,000,000,000	$20,000,000

(11) Adding a new Schedule 23 (*Sustainability Target Values*), as follows:

SCHEDULE 23
SUSTAINABILITY TARGET VALUES

ESG KPIs

ESG KPIs	Initial Score	Sustainability Target Value				
	2020	**2021**	**2022**	**2023**	**2024**	**2025**
ESG KPI 1	N/A	2,000	15,000	45,000	64,000	80,000
ESG KPI 2	20% Women / Minorities	>25% Women / Minorities	>25% Women / Minorities	>25% Women / Minorities	>25% Women / Minorities	>35% Women / Minorities
ESG KPI 3	170 (RBA average after closure audit)	≥180	≥180	≥180	≥180	≥180

In this Schedule 23 (*Sustainability Target Values*):

(a) **"ESG KPI 1"** means reductions measured in MTCE (Metric Tons of Carbon Equivalents) of greenhouse gas emissions on an annualised basis achieved by greenhouse gas emissions projects implemented by the Group.

(b) **"ESG KPI 2"** means the percentage of the Company's board of directors that do not identify as male or come from an underrepresented minority.

(c) **"ESG KPI 3"** means the average validated assessment program score in respect of Responsible Business Alliance (RBA) Audits.

(12) Adding a new Schedule 24 (*Form of Sustainability Certificate*), as follows:

SCHEDULE 24
FORM OF SUSTAINABILITY CERTIFICATE

From: [] as the Company

Dated: [] 2021

GLOBALFOUNDRIES Inc. – Revolving and L/C Facilities Agreement dated [●] 2019 (the "Facilities Agreement")

1. We refer to the Facilities Agreement. This is a Sustainability Certificate. Terms defined in the Facilities Agreement have the same meaning when used in this Sustainability Certificate unless given a different meaning in this Sustainability Certificate.

2. We confirm that in respect of [*year*], the ESG KPIs are as follows:

    a. ESG KPI 1 equal to [and therefore is [equal to or above] / [below] the applicable Sustainability Target Value for [year];

    b. ESG KPI 2 equal to [and therefore is [equal to or above] / [below] the applicable Sustainability Target Value for [year];

    c. ESG KPI 3 equal to [and therefore is [equal to or above] / [below] the applicable Sustainability Target Value for [year];

    and in accordance with Clause 14.5 of the Facilities Agreement, the Margin shall be [•] per cent, per annum.

3. The Borrower confirms that the ESG KPIs referred to in paragraph 2 above have been calculated using substantially the same methodology as that used to set the Sustainability Target Value [*and to the extent applicable,* [*the relevant independent verification or negative assurance statement is attached*] / [*reasonable detail of determination of ESG KPI to be attached*]].[1]

Signed ……..

Authorised Signatory for
and on behalf of

[Company]

[1] Reasonable detail of determination of ESG KPI not required where independent verification or negative assurance statement is attached.

SIGNATORIES

The Company

/s/David Reeder

Name: David Reeder
Title: CFO
For and on behalf of
GLOBALFOUNDRIES INC.
as Company

[*Signature Page – 2021 Amendment Agreement (2019 RCF)*]

The Original Borrowers

/s/David Reeder

Name: David Reeder
Title: CFO
For and on behalf of
GLOBALFOUNDRIES INC.
as an Original Borrower

/s/Theodore Castro

Name: Theodore Castro
Title: Director

For and on behalf of
GLOBALFOUNDRIES SINGAPORE PTE. LTD.
as an Original Borrower

/s/Samak L. Azar

Name: Samak L. Azar
Title: Secretary

For and on behalf of
GLOBALFOUNDRIES U.S. INC.
as an Original Borrower

The Original Guarantors

/s/David Reeder

Name: David Reeder
Title: CFO
For and on behalf of
GLOBALFOUNDRIES INC.
as an Original Guarantor

/s/Theodore Castro

Name: Theodore Castro
Title: Director

For and on behalf of
GLOBALFOUNDRIES SINGAPORE PTE. LTD.
as an Original Guarantor

/s/Samak L. Azar

Name: Samak L. Azar
Title: Secretary

For and on behalf of
GLOBALFOUNDRIES U.S. INC.
as an Original Guarantor

/s/Samak L. Azar

Name: Samak L. Azar
Title: Manager

For and on behalf of
GLOBALFOUNDRIES DRESDEN MODULE ONE LIMITED LIABILITY COMPANY & CO. KG
represented by its general partner GLOBALFOUNDRIES Dresden Module One LLC
as an Original Guarantor

/s/Samak L. Azar

Name: Samak L. Azar
Title: Manager

For and on behalf of
GLOBALFOUNDRIES DRESDEN MODULE TWO LIMITED LIABILITY COMPANY & CO. KG
represented by its general partner GLOBALFOUNDRIES Dresden Module One LLC
as an Original Guarantor

/s/Dirk Gasse

Name: Dirk Gasse
Title: Director

For and on behalf of
GLOBALFOUNDRIES NETHERLANDS HOLDING B.V.
as an Original Guarantor

/s/Samak L. Azar

Name: Samak L. Azar
Title: Manager

For and on behalf of
GLOBALFOUNDRIES MANAGEMENT SERVICES LIMITED LIABILITY COMPANY & CO. KG
represented by its general partner GLOBALFOUNDRIES Dresden Module Two LLC
as an Original Guarantor

/s/Samak L. Azar

Name: Samak L. Azar
Title: Manager

For and on behalf of
GLOBALFOUNDRIES DRESDEN MODULE ONE LLC
as an Original Guarantor

/s/Samak L. Azar

Name: Samak L. Azar
Title: Managing Director (Geschäftsführer)

For and on behalf of
GLOBALFOUNDRIES DRESDEN MODULE ONE HOLDING GMBH
as an Original Guarantor

/s/Samak L. Azar

Name: Samak L. Azar
Title: Manager

For and on behalf of
GLOBALFOUNDRIES DRESDEN MODULE TWO LLC
as an Original Guarantor

/s/Samak L. Azar

Name: Samak L. Azar
Title: Managing Director (Geschäftsführer)

For and on behalf of
GLOBALFOUNDRIES DRESDEN MODULE TWO HOLDING GMBH
as an Original Guarantor

/s/Carmine Joseph Mele

Name: Carmine Joseph Mele
Title: Management Board Member A

/s/Dirk Gasse

Name: Dirk Gasse
Title: Management Board Member B

For and on behalf of
GLOBALFOUNDRIES (NETHERLANDS) COÖPERATIEF U.A.
as an Original Guarantor

/s/Michael Cadigan

Name: Michael Cadigan
Title: Director

For and on behalf of
GLOBALFOUNDRIES U.S. 2 LLC
as an Original Guarantor

THE NEW LENDERS

FIRST ABU DHABI BANK PJSC

By: /s/Moustafa Al Khalafawy

Name: Moustafa Al Khalafawy, MD & Head of IBG, CIB D&NE.

By: /s/Moataz Khalil

Name: Moataz Khalil

HSBC BANK USA, NATIONAL ASSOCIATION

By: /s/Christopher M Samms

Name: Christopher M Samms, Senior Vice President, #9426

THE INCREASING LENDERS

BANK OF AMERICA, N.A.

By: /s/Damien Orban

Name: Damien Orban

CITIBANK, N.A.

By: /s/Thad Garrison

Name: Thad Garrison, Director

[*Signature Page – 2021 Amendment Agreement (2019 RCF)*]

CREDIT SUISSE AG, CAYMAN ISLANDS BRANCH

By: /s/William O'Daly

Name: William O'Daly

Title: Authorized Signatory

By: /s/Komal Shah

Name: Komal Shah

Title: Authorized Signatory

DBS BANK LTD.

By: /s/Loy Hwee Chuan

Name: Loy Hwee Chuan, Executive Director

DEUTSCHE BANK AG

By: /s/Hoby Buvat

Name: Hoby Buvat, Managing Director

By: /s/Mark Dixson

Name: Mark Dixson, Managing Director

INTESA SANPAOLO S.P.A., LONDON BRANCH

By: /s/Flavio Stellini

Name: Flavio Stellini, Managing Director

By: /s/Roberto Ravaziol

Name: Roberto Ravaziol, Managing Director

JPMORGAN CHASE BANK, N.A.

By: /s/Ilinca Mihaescu

Name: Ilinca Mihaescu, Vice President

[*Signature Page – 2021 Amendment Agreement (2019 RCF)*]

MORGAN STANLEY SENIOR FUNDING, INC.

By: /s/Michael King

Name: Michael King

The Facility Agent

/s/Cairy Bailey

Name: Cairy Bailey

For and on behalf of
Citibank Europe Plc, UK Branch
in its capacity as Facility Agent
(acting on the instructions of the requisite Lenders)

The Sustainability Structuring Agent

/s/Christopher M Samms

Name: Christopher M Samms, Director

For and on behalf of
HSBC Securities (USA), Inc.

Exhibit 12.1

CERTIFICATION

I, Thomas Caulfield, certify that:

1. I have reviewed this annual report on Form 20-F of GLOBALFOUNDRIES Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: March 31, 2022

By: /s/Thomas Caulfield
Name: Thomas Caulfield
Title: Chief Executive Officer

Exhibit 12.2

CERTIFICATION

I, David Reeder, certify that:

1. I have reviewed this annual report on Form 20-F of GLOBALFOUNDRIES Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: March 31, 2022

By: /s/David Reeder
Name: David Reeder
Title: Chief Financial Officer

Exhibit 13.1

CERTIFICATION
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code)

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), each of the undersigned officers of GLOBALFOUNDRIES Inc. (the "Company"), does hereby certify, to such officer's knowledge, that:

The Annual Report on Form 20-F for the year ended December 31, 2021 (the "Form 20-F") of the Company fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 and information contained in the Form 20-F fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 31, 2022

By: /s/Thomas Caulfield
Name: Thomas Caulfield
Title: Chief Executive Officer

Date: March 31, 2022

By: /s/David Reeder
Name: David Reeder
Title: Chief Financial Officer