

COMMUNITY Connection



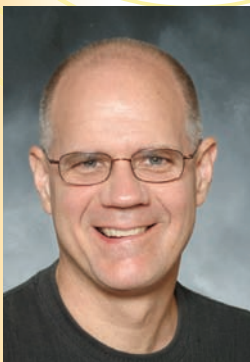
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COMMUNITY Connection

A Community Newsletter from Hemlock Semiconductor Group

Issue 2
Spring/Summer 2009



Jim Cross
Hemlock Site Manager

Welcome spring! After a long winter the warmer weather is finally here, and with that comes hope - hope that the season's brighter outlook will also brighten the economic climate that has impacted so many families, schools and businesses.

These are very tough economic times and Hemlock Semiconductor Group is not immune to the global recession. The Semiconductor market has slowed and the Solar market growth has been effected by the credit markets. ***However, the long term outlook for both solar and semiconductor markets remain healthy and we expect demand for polysilicon to continue to grow.***

While we need to meet the challenges of today, we are firmly focused on positioning ourselves for the future and the economic recovery to come. Hemlock Semiconductor Group is moving forward with the announced investments in both Hemlock and Clarksville, Tennessee.

Currently in Hemlock, construction and startup activities continue, with upwards of 1,200 construction workers on site every day supporting our expansion efforts. We expect to move into our new office and laboratory facilities sometime this summer. ●





“Top Deals” In North America

A national magazine is recognizing Hemlock Semiconductor Group and Dow Corning as one of 2008’s “Top Deals” in North America. Site Selection Magazine’s May issue reminds its readership of senior-level corporate executives and plant location decision makers that even in a challenging economy major deals are taking place, creating hundreds and thousands of jobs.

This recognition follows the December 2008 announcements of up to a \$1 billion dollar investment at the Hemlock site and the construction of a new \$1.2 billion polysilicon manufacturing facility in Clarksville, Tennessee. ***In the last five years, Hemlock Semiconductor and Dow Corning have announced approximately \$4 billion in investments and the creation of over 1,000 jobs.***

In evaluating the top economic development projects of the year, the editors of *Site Selection* took into account total capital investment; number of jobs created; regional economic impact; value of jobs created; creativity of the deal; role of incentives in the deal; competition for the project to locate elsewhere; and speed to market.

The entire Top Groups and Top Deals articles appear in the May 2009 edition of Site Selection. ●

Road Improvements

The Saginaw County Road Commission has six road improvement projects planned around Hemlock site; they are as follows but are subject to change:

- Project #1** Geddes Road entrances to the site will be widened to include turn lanes and deceleration lanes. The Geddes Rd. and Orr Rd. intersection will be widened on all four quadrants to include turn lanes. To help facilitate this construction, Geddes Rd. will be one-way west for a period of time.
Timing – May 2009
- Project #2** Geddes Road and Graham Road intersection will be widened on all four quadrants to include turn lanes. Traffic lights will not be installed.
Timing – Summer 2009
- Project #3** Geddes Road will be resurfaced between Graham Road and Miller Rd.
Timing – Summer 2009
- Project #4** Orr Road entrances to the site will be widened to include turn lanes and deceleration lanes.
Timing – Fall 2009
- Project #5** Orr Road and M-46 intersection will be widened on the north, east, and west quadrants to include turn lanes. Traffic lights are not planned at this time.
Timing – Fall 2009
- Project #6** Frost Road and Orr Road intersection will be widened on the west, east, and south quadrants to include turn lanes. Traffic lights will not be installed. The hill on Frost Road to the west of the intersection will be reduced to improve motorist visibility.
Timing – Late 2009 / Spring 2010

Site management in Hemlock will continue to work with the County Road Commission on future road improvement opportunities. ●



Left to right:
Aaron Howald, Hemlock Semiconductor Group CFO;
Doug Billot, QSS general manager;
Ron Burdo, QSS operations manager;
Jim Cross, Hemlock Semiconductor Michigan site manager

QSS Recognized by United Way

Quality Staffing Services (QSS) employees at Hemlock Semiconductor Group are being recognized for their **outstanding participation** in the 2008 Saginaw County United Way Campaign. QSS was presented the Thomas J. Heatherman Campaign Award during the Live United Community Awards event Thursday, April 23 at Horizons Conference Center.

QSS and Hemlock Semiconductor turned the “Live United” fundraising campaign into a friendly competition. Employees were awarded pizza parties for their involvement and it paid off - QSS raised more than \$29,000 for the community! There are over 600 QSS employees that work as finishers at the Hemlock site.

The Heatherman Award is a tribute to the late Thomas J. Heatherman, a former United Way president who served from 1957 to 1961.

Also during the event, **Hemlock Semiconductor Finishing Area Leader, Rob Kain, was honored as one of the nominees for the 2008 Live United Community Award. Site Manager Jim Cross will act as co-chair for the 2009 United Way of Saginaw County Campaign.**

Expansion Work Sets Safety Record

Setting safety records is proving to be one of the important outcomes of Hemlock Semiconductor Group’s expansion in Hemlock. Construction crews exceeds 4 million hours of safe work without a Lost Time Injury the last week of April.

“With 1,200 construction workers on site 20 to 24 hours a day, seven days a week, working safely is critical,” said Greg Skufca, director of Polysilicon Expansion. “Our progress is measured by how safely these projects are being completed, as well as their construction.”

Several new initiatives were implemented which helped achieved this safety milestone. Some of these included: additional MIOSHA (Michigan Occupational Safety and Health Administrations) training, sharing best practices between the company and contractors and intervention training.

Although the fundamentals haven’t changed, bi-weekly safety meetings are kept fresh with different kinds of presentations and approaches to the material, so contractors keep their attention on working safely. By providing positive reinforcement and rewarding good behavior the site is seeing productive and safe results.

People Making News



Aaron Howald

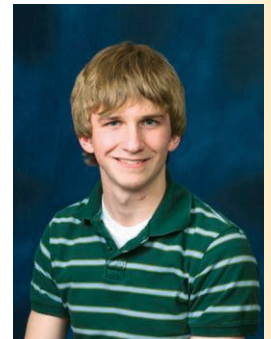
Aaron Howald, Hemlock Semiconductor Group Chief Financial Officer, is a recipient of the 2009 RUBY (*Recognizing the Upward, Bright & Young*) Award. Aaron is one of 13 award winners 40 years and younger from the Great Lakes Bay Region to be selected.

"Aaron is very deserving of this. He has led our finance function during a time of unprecedented growth and expansion of the largest polysilicon manufacturing facility in the world," said Rick Doornbos, president and CEO. **"We are very fortunate to have him on our team."** Aaron serves on the board of the United Way of Saginaw County and is a 2008 graduate of the Great Lakes Bay Regional Leadership Institute. ●

Nathan Morrison, a co-op at Hemlock site, was recognized in The *Saginaw News* special insert on May 13 as a **"2009 Top Student."** Nathan, a senior at Merrill High School, is graduating as the class Valedictorian and will attend University of Minnesota in the fall. He plans to major in Chemistry.

"Nathan is a very dedicated high school co-op who consistently performs well to assist the Testing team in producing high quality results," said Don Bussa, Testing team leader.

Currently, the Hemlock site employs about 30 co-ops from Merrill and Hemlock High Schools, SVSU, Delta College and Northwood University. ●



Nathan Morrison
Senior at Merrill High School

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Transportation Safety Award

Hemlock Semiconductor Group is pleased to announce that Transport Service Company recently recognized the Midland terminal as winner of its Annual Safety Contest for 2008. Transport Service is the 'hauler' for most of the tanker truck traffic between Hemlock Semiconductor's site in Hemlock and Dow Corning.

Midland Terminal Winner of Annual Safety Contest for 2008

This award is presented to the terminal in the Chemical and Food Grade Division that has the lowest accident frequency rate in the company. Employees were recognized at an event in

March which was attended by the President of Transport Service as well as other company executives.

Hemlock Semiconductor appreciates the service we receive from Transport Service, and congratulate them on this well deserved recognition! ●