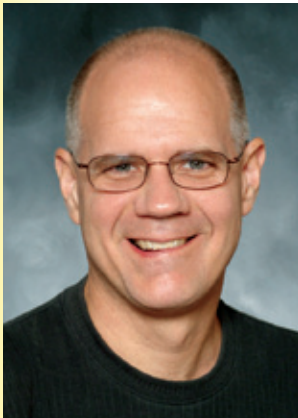


# 50th Anniversary Edition Community Connection

A Community Newsletter from Hemlock Semiconductor Corporation

Issue 5 • Winter 2010



Jim Cross  
Hemlock Semiconductor  
Site Manager

## Who Would Have Thought...?

Dear Friends:

Fifty years ago, a dream was born at Dow Corning to create a world leader in polycrystalline silicon production. We've achieved that dream beyond expectations and in 2011, Hemlock Semiconductor Corporation is celebrating 50 years of success – thanks to the commitment of thousands of employees and the support of our communities.

Who would have thought, back in 1961, that Hemlock Semiconductor would be known around the world? Who would have thought that we'd help drive so many advances in the electronics industry and today, the solar energy too?

Amazingly, it all started right here, in Thomas Township, Michigan. It's a fantastic story of progress anchored by a solid foundation of sustainability, a core value that strikes the right balance between economic growth, environmental performance, and quality of life for our communities.

Let me share three quick examples locally:

- On the economic side, we are completing a major \$1 billion expansion that created hundreds of construction jobs and 300 permanent new jobs, stimulating the local economy.
- On the health and safety side, we recently funded a new, community-wide emergency notification system and are sharing the enclosed community safety calendar to help keep our workers and community members safe (see related articles).
- And, on the quality of life side, we continue to invest in community success by focusing many of our contributions on areas such as scholarships for math and science education. Plus, our people actively give their time volunteering for everything from school science programs to United Way – because they care.

Going forward, we will continue to pursue new opportunities that drive progress in all the best ways – here and around the world.

Thank you again for all of your support. ●

## Milestones in Time

The Hemlock, Michigan, site is selected for the first fully integrated polycrystalline silicon plant.

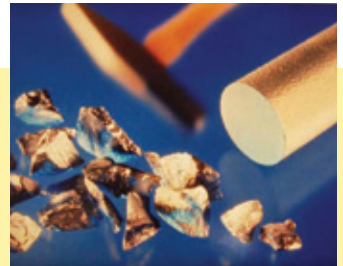
1957

Dow Corning Corporation implements technology to manufacture polycrystalline silicon.



1960

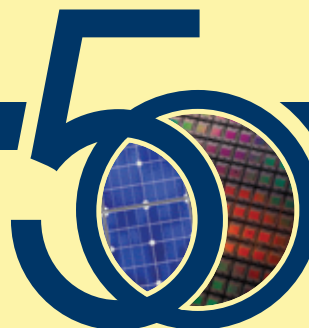
Polycrystalline silicon production begins at the new Hyper-Silicon Plant.



1961

1969

The end of a decade in which the site doubles its manufacturing capabilities three times, largely due to the growth of the electronics industry.



YEARS OF  
INNOVATION

**HSC**<sup>®</sup>  
HEMLOCK  
SEMICONDUCTOR

# A Bright Future



*Rick Doornbos  
President and CEO  
Hemlock Semiconductor  
Corporation*

Hemlock Semiconductor Corporation has come a long way since 1961, when we first began producing polycrystalline silicon. Today, we are one of the world's largest manufacturers of polycrystalline silicon, driven by two powerhouse industries: electronics and solar energy.

The solar industry, in particular, is driving new growth for Hemlock Semiconductor, while revitalizing economies across the Great Lakes Bay Region as companies like ours invest in the future.

Solar creates jobs, improves energy security, and – as a clean energy solution – reduces our environmental footprint.

These are exciting times as Hemlock Semiconductor works hard to collaborate with customers and government to create a vibrant solar industry in the U.S.

Since 2005, we are on track to invest up to \$4.5 billion and create up to 2,000 permanent jobs at our Michigan and Tennessee facilities.

Such investments will help our region and nation lead the way in solar technology. The opportunities ahead of us are staggering. Solar photovoltaics will grow from a **\$50 billion** industry in 2010 to more than **\$100 billion** by 2018. Annual installations are on track to reach 15 gigawatts worldwide in 2010, a **10-fold** increase from five years earlier.

We at Hemlock Semiconductor are proud to fuel this effort and set the pace for success with people who drive solutions, with materials that drive progress, and with local communities at our side. ●

## Did You Know?

- In electronics, our innovative materials fuel the demand for faster and smaller chips, which in turn enable a host of high-tech products – from tiny cell phones and speedier laptops to home appliances and wireless health care.
- In solar, we provide a high-purity solar-grade polycrystalline silicon to manufacturers of solar wafers and photovoltaic cells. Our material is used in everything from solar-powered watches and solar panels to huge photovoltaic power arrays.
- Recent investments in growth will add enough polysilicon capacity to generate 3500 megawatts of electricity capacity each year – clean energy to power nearly 1 million homes annually. ●

Hemlock Semiconductor Corporation is formed as a wholly-owned subsidiary of Dow Corning Corporation.

1979



1984

Hemlock Semiconductor Corporation becomes a Joint Venture of Dow Corning Corporation and two of Japan's largest single-crystal wafer manufacturers, Shin-Etsu Handotai Co., Ltd. and Mitsubishi Materials Corporation.

The use of cleanroom processing for polycrystalline silicon finishing operations is improved and expanded.

1986

Hemlock Semiconductor Corporation triples its previous capacity, focusing on leading-edge processing technology, advanced chemical purification, and parts-per-trillion analysis techniques.

1989



# Local CAP Helps Clarksville CAP

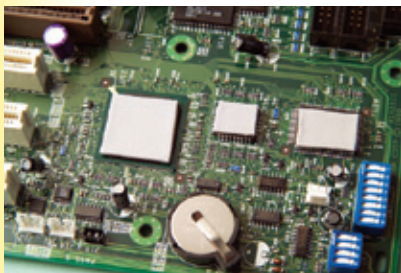
Recently, 15 people from the newly formed Community Advisory Panel (CAP) in Clarksville, Tenn., took a whirlwind tour of the Thomas Township site and surrounding communities. At the heart of this visit was a special meeting with our local CAP to learn more about the group's roles and responsibilities.

"The Clarksville CAP was very interested in how we acted as a voice for the community and Hemlock Semiconductor," said long-time CAP member Judy Turner, who is a former curriculum director and middle school principal for

Hemlock Public Schools. "At first, they were unsure about how they could help their community, but were soon able to relate after seeing the variety of people on our team and learning more about what we do. They were also impressed by the level of cooperation Hemlock Semiconductor has with the community. It gave them a strong comfort level, and it was quite rewarding to help them out."

Local CAP members – who represent a cross-section of people from Thomas and Richland Townships – are well connected to community needs and concerns. The CAP provides a forum for discussion, meeting six times each year with company representatives to discuss issues, opportunities, and company activities.

"If it wasn't for the CAP meetings, I'm not sure we would have such an active relationship with Hemlock Semiconductor – one that has really helped our schools and community," said Judy. "I think the Clarksville CAP recognized this and is eager to begin." ●



Hemlock Semiconductor Corporation becomes one of the world's largest producers/suppliers of polycrystalline silicon.

A major expansion results in a total site capacity of 4,000 MT per year of polycrystalline silicon production.



1992

Hemlock Semiconductor Corporation expands its polycrystalline silicon production capacity by 20 percent and achieves ISO 9002 registration.



1994

1995



1997

Another significant expansion results in an additional 40 percent polycrystalline silicon production capacity.

# Walking Down Memory Lane

It's 1961. Imagine hearing about a possible job at a new Dow Corning business called the Hyper-Silicon Plant and traveling for miles down two-track country roads for an interview amidst a patchwork of farm fields. The address you were given turns out to be an old farmhouse with a barn and shed in the back, along with a new cement block building for something called polycrystalline silicon production. There are about 80 people lined up for interviews, hoping to get a job.

You get an interview inside the farmhouse, and end up getting the plant operator's job, only to find out later you were interviewed by Jack Ludington, the future chairman and CEO of Dow Corning.

That's how Jerry Kellogg was hired into Hemlock Semiconductor. He and two other retirees, Al Nass – powerhouse supervisor, and Norm Jardis – intermediates area supervisor, recently got together to swap stories about the company's history and secrets for success.

Below are short excerpts from a recent interview.

## The People

**Jerry:** We had a super group of guys and it was a great place to work. We were a real family and worked as a team across the site with the attitude that we had to make it work or we didn't have a job. So we all pulled together. We were always treated well and paid well, and felt proud.

**Al:** My best memories are the quality of the people, the great supervision, and teams that worked well together – which was super important. In fact, I don't have any bad memories.

**Norm:** There were a lot of guys doing outstanding work. They gave us initiative back then, and trusted us to make our own decisions. There was intense teamwork

to get the job done and to do it with a focus on quality. I was happy to come back as a contractor.

## The Progress

**Jerry:** When I started, things were small and experimental and now everything is on such a huge scale. I personally saw 11 expansions while I worked there. We didn't have much money to invest back then, but because of the business we are in today (electronics and solar), we get to invest much more.

**Al:** The first thing I noticed when I walked into the new headquarters was how modern everything is, and the tight security – we didn't even have a fence in the beginning. I get to see the growth every day as I drive by. Hemlock Semiconductor always seems to be on the leading edge.

**Norm:** They were building when I was hired and they are still building today. Back then, there were just a few pieces of equipment to make polysilicon; now there are more than a hundred. It seems to keep doubling in size on every front. Every year I am just astounded and amazed at the progress.

*continued on back page*



Left to right:  
Jerry Kellogg  
Al Nass  
Norm Jardis

The site increases production to 6,200 MT. Technology advancements provide an ultra-clean polycrystalline silicon product in anticipation of future 300-400 mm wafer supply requirements.

1999



"Solar 1" production capacity expansion is approved and contracted for up to 14,500 MT, starting in 2008.

2005



2002

ISO 9001:2000 certification achieved. Hemlock Semiconductor Corporation enters the market as a manufacturer of solar-grade polysilicon.

2006

Meanwhile, the site increases production to 10,000 MT.

"Solar 2" production capacity expansion is approved and contracted for up to 19,000 MT, starting in 2009.

A global "Green Site" search for a second production location is initiated.

# Introducing the New 2011 Community Calendar!

## Art Contest Winners Honored

It's hot off the press! We're excited to share the first-ever Community Calendar sponsored by Hemlock Semiconductor Corporation and Dow Corning. The calendar, which is enclosed with this newsletter, supports the theme *Making a Better World with Solar Energy* while also providing you with important safety information.

Throughout the calendar, you will see winning artwork from 14 elementary schoolchildren who participated in a special calendar art contest. The contest was open to local school districts.

"A big thanks go to all of the kids who participated in the art contest, and to the many school administrators, teachers and parents who made it happen," said Jim Cross, Hemlock Site Manager. "We are extremely pleased to offer such a fun yet functional calendar to our neighbors."

Winners and finalists were honored at a special award ceremony in November held at Hemlock Semiconductor's corporate headquarters. Students received prizes and framed original artwork, with winners also receiving \$50 gift cards to Barnes and Noble. In addition, Ling Elementary was awarded a \$1,000 check for Best of Show, which will be used for solar-related activities.

For a pdf version of the calendar, please visit [www.hscpoly.com](http://www.hscpoly.com), under Community.



"Solar 3" production capacity expansion is approved and contracted for up to 36,000 MT, starting in 2010.



The company receives nearly \$142 million in federal tax credits to support solar energy investments; Vice President Joe Biden tours Michigan site.

2007

2008

2009

2010



A \$1 billion expansion in Michigan and \$1.2 billion investment in a new plant in Tennessee are announced.

Site construction begins at a new plant in Tennessee; new capacity is brought on line in Michigan.



# Putting Safety First



Ben Nelson  
Hemlock Semiconductor  
Safety Manager

Since the beginning, our top priority has always been employee and community safety. Along the way, we have continuously learned and applied best practices in all that we do – from production and packaging to transportation – to keep workers and the public safe.

Today, we are proud to have built a culture that is committed to putting safety first around the clock, and to meeting all the requirements

of Responsible Care®. It's a commitment we don't take lightly, and which we pursue with the full engagement of the communities in which we live and work.

## New Emergency Notification System

This commitment is why we recently worked closely with Thomas Township, Richland Township and Saginaw County 911 to implement a new Emergency

*Responsible Care® is a trademark of the American Chemistry Council*



Notification System, Hemlock Semiconductor donated \$200,000 to improve 911's ability to reach people in today's highly mobile society. The new, automated system enables 911 to deliver emergency information in many ways, including land lines, cell phones, email and text messages. **If you haven't already registered, please go to [www.saginawcounty911.com](http://www.saginawcounty911.com)** to enter your contact information and ensure you get the information you need in major emergencies, such as those related to weather, accidents, missing children, or chemical incidents.

## 2011 Community Calendar

Our safety commitment is also the primary driver behind the new Community Calendar, which features a Community Safety Information tab and Quick Safety Tips card. Here, you will find information that describes what to do in case of a community emergency. **Safety information is also available on our website at: [www.hscpoly.com/community-connectionMI](http://www.hscpoly.com/community-connectionMI).**

I believe that transparency and collaboration are absolutely critical to success, and look forward to working with all of you to stay safe every day. ●

## Walking Down Memory Lane *continued from inside*

### The Products

**Jerry:** The products Hemlock Semiconductor is making is solving the problems on how people live. Anything that moves in your house or car wouldn't be running without our products – cell phones, refrigerators, or cars. It's a big thing that helps the whole world.

**Al:** It's good that the company is involved in solar and growing so much. With that growth, though, we need to watch energy efficiency even more at the plant, and also at home. I bought a few panels myself to try to bring costs down.

### Community Connection

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**Norm:** I remember when they started using our products for solar watches and calculators, and at the time, we thought that was it for solar. But now there seems to be a tremendous solar cell market, plus the electronics for computers. It's one good thing after another.

### Safety & Community

**Jerry:** Early on, most of the people were safety conscious because they came from a farming background. Employees have always been very conscious about this, but also in helping the community – from supporting school programs to providing sirens for tornados. It's good to see the company constantly doing things like that.

**Al:** Management was always concerned about keeping workers and the community safe. There were a lot of meetings and priorities around this.

**Norm:** I remember that we gave everything we did a lot of thought because if something did go wrong, it could have a huge impact. So the company worked hard to prevent things from happening in the first place, and it still does. ●

## Community Calendar Corrections

- In the Community Safety Information section, the Site Evacuation and Contractor Emergency Notification System Sirens will now be tested the first **Wednesday** of every month at **Noon**.
- The Merrill Farm Festival begins on **August 5** (not August 1).