

UAE sovereign wealth controls America's most trusted chip maker

The critical national security finding is confirmed: Mubadala Investment Company, wholly owned by the UAE government, holds 81.5% of GlobalFoundries—the Pentagon's most advanced Trusted Foundry supplier and recipient of \$1.59 billion in CHIPS Act subsidies. This creates a verified strategic dependency where a foreign sovereign effectively controls US defense chip manufacturing infrastructure with DoD's explicit blessing.

The situation presents an unusual paradox: the US government simultaneously awards GlobalFoundries Category 1A Trusted Foundry accreditation (the highest security level) and billions in taxpayer subsidies while acknowledging UAE majority ownership. CFIUS approved this structure in 2015 and has not required divestment, while Congress has voiced only limited concern.

Verified ownership: Mubadala controls 81.5% through UAE sovereign entities

SEC filings confirm Mubadala Investment Company's stake at **81.5% (450.4 million shares)** as of Q1 2025—

[GuruFocus](<https://www.gurufocus.com/news/2587579/mubadala-investment-co-pjsc-reduces-stake-in-globalfoundries-inc>) making the 81% claim accurate. The stake is held through wholly-owned subsidiaries Mubadala Technology Investment Company and MTI International Investment Company LLC.

The ownership timeline reveals progressive UAE consolidation:

Year Event Stake
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2009 GlobalFoundries spun from AMD with ATIC (Mubadala subsidiary) investment 65.8%
2012 AMD fully divests; Mubadala assumes complete control 86%
2015 IBM microelectronics acquisition brings Trusted Foundry status 100% (pre-IPO)
Oct 2021 IPO on Nasdaq at \$47/share 89.4%
Q1 2025 Following secondary offerings 81.5%

GlobalFoundries operates as a "controlled company" under Nasdaq rules because Mubadala holds majority voting power. [Wikipedia](<https://en.wikipedia.org/wiki/GlobalFoundries>) [DCFmodeling.com](<https://dcfmodeling.com/blogs/history/gfs-history-mission-ownership>) The board includes **two current Mubadala executives**—Camilla Languille (Co-CEO of Mubadala's Private Equity platform) [GlobalFoundries](<https://gf.com/leadership/camilla-languille/>) and Marc Antaki (Deputy Chief Strategy and Risk Officer)—[World Economic Forum](<https://www.weforum.org/stories/authors/marc-antaki-5f6d45b5a2/>) [GlobalFoundries](<https://gf.com/leadership/13555/>) plus CEO Tim Breen, a former Mubadala senior executive. [GlobalFoundries Inc.](<https://investors.gf.com/news-releases/news-release-details/globalfoundries-announces-le>

adership-transition-drive-next-phase) The Shareholders Agreement grants Mubadala consent rights over organizational amendments, equity issuances, and major corporate changes.

Pentagon designates UAE-owned company as its most secure chip supplier

GlobalFoundries holds **Category 1A Trusted Supplier accreditation**—the highest security designation granted by the Defense Microelectronics Activity (DMEA).

[GlobalFoundries](<https://gf.com/blog/ensuring-the-supply-of-trusted-chips-for-critical-needs/>) This accreditation covers Fab 8 (Malta, NY)

[Wikipedia](<https://en.wikipedia.org/wiki/GlobalFoundries>)

[GlobeNewswire](<https://www.globenewswire.com/en/news-release/2023/05/30/2678379/0/en/U-S-Government-Accredits-GlobalFoundries-to-Manufacture-Trusted-Semiconductors-at-New-York-Facility.html>) and Fab 9 (Burlington/Essex Junction, VT), where classified manufacturing occurs.

[GlobalFoundries](<https://gf.com/gf-press-release/u-s-government-accredits-globalfoundries-to-manufacture-trusted-semiconductors-at-new-york-facility/>)

The defense relationship is extensive and deepening:

- **\$3.1 billion contract ceiling** awarded September 2023 for 10 years

[Wikipedia](<https://en.wikipedia.org/wiki/GlobalFoundries>)

[GlobalFoundries](<https://gf.com/gf-press-release/u-s-government-awards-globalfoundries-new-3-1-billion-10-year-contract-for-secure-chip-manufacturing/>) (third consecutive decade-long contract)

- **\$117 million Defense Production Act Title III** agreement (May 2022) for 45nm ITAR-compliant semiconductors

- **\$9.5 million DoD investment** for gallium nitride chips at Vermont (December 2024)

[VTDigger](<https://vtidigger.org/2024/12/04/globalfoundries-secures-an-additional-9-5-million-to-advance-local-chip-manufacturing/>)

- Partnerships with **Lockheed Martin** (June 2023), **BAE Systems** (June 2024, November 2025), and **Raytheon** (May 2021)

GlobalFoundries chips operate in DoD systems across land, air, sea, and space—

[GlobalFoundries](<https://gf.com/gf-press-release/u-s-government-awards-globalfoundries-new-3-1-billion-10-year-contract-for-secure-chip-manufacturing/>) including CH-53 helicopters (which contain over 2,000 chips each), [The

Recorder](<https://www.recordernews.com/news/local-news/215261>) satellites, radar systems, missiles, and radiation-hardened space electronics. Senator Schumer acknowledged

GlobalFoundries as "a key supplier of chips to our military and intelligence community." [Times Union](<https://www.timesunion.com/business/article/GlobalFoundries-to-make-military-chips-at-Fab-8-15951541.php>)

Critically, **GlobalFoundries is the most advanced Trusted Foundry supplier**, offering 12nm FinFET technology—

[GlobeNewswire](<https://www.globenewswire.com/en/news-release/2023/05/30/2678379/0/en/U-S-Government-Accredits-GlobalFoundries-to-Manufacture-Trusted-Semiconductors-at-New-York-Facility.html>) significantly more advanced than other accredited suppliers limited to 90nm processes. DMEA Director Dr. Nicholas Martin stated the Malta accreditation "will enable the Department to have access to the most advanced ASIC technology node available from a DMEA accredited Trusted Supplier."

[GlobalFoundries](<https://gf.com/gf-press-release/u-s-government-accredits-globalfoundries-to-manufacture-trusted-semiconductors-at-new-york-facility/>)

Neither **TSMC Arizona** nor **Samsung Austin** holds Trusted Foundry status, despite receiving larger CHIPS Act awards. Intel received a \$3 billion Secure Enclave award for classified production [Washington Technology](<https://www.washingtontechnology.com/companies/2024/09/what-we-can-gauge-intels-3b-military-chip-grant/399591/>) but is still developing third-party foundry capabilities.

CHIPS Act provides \$1.59 billion without ownership restrictions

Commerce Department awarded GlobalFoundries **\$1.587 billion in direct funding** plus up to **\$1.6 billion in federal loans**—the first major CHIPS Act award announced February 2024 and finalized November 2024. An additional \$75 million for advanced packaging was added [U.S. Department of Commerce](<https://www.commerce.gov/news/press-releases/2025/01/us-department-commerce-announces-chips-incentives-awards-corning>) in January 2025.

The funding allocation:

- **Malta, NY:** \$1.45 billion [nist](<https://www.nist.gov/chips/globalfoundries-new-york-malta>) for new fabrication facility and capacity expansion [National Institute of Standards and Technology](<https://www.nist.gov/chips/globalfoundries-new-york-malta>)
- **Burlington, VT:** ~\$125 million for GaN-on-Si high-volume manufacturing
- **Workforce development:** \$12 million [nist](<https://www.nist.gov/chips/globalfoundries-new-york-malta>)
- **New York State** contributed an additional \$595 million in incentives

The CHIPS Act **does not require UAE ownership divestment**. National security guardrails focus on "foreign countries of concern"— [National Institute of Standards and Technology](<https://www.nist.gov/chips/implementation-strategies/national-security>) China, Russia, Iran, North Korea—**not Gulf allies**. GlobalFoundries must maintain 10-year prohibitions against expanding manufacturing in these designated countries and cannot engage in technology licensing with "foreign entities of concern."

Trump administration's \$16 billion claim is misleading: CBS News fact-checking confirmed only **\$3 billion is new** (announced June 2025); the remaining **\$13 billion was committed under the Biden administration** through CHIPS Act funding and tax credits. GlobalFoundries

did not specify a timeframe for this investment, leading SemiAnalysis to assess it as "mean[ing] much less when not time bound."

November 2025 chip exports link UAE and Saudi sovereign entities to same AI infrastructure

Commerce Department approved export of **70,000 Nvidia Blackwell GB300 chips** (35,000 each) to G42 (UAE) and HUMAIN (Saudi Arabia) [U.S. Department of Commerce](<https://www.commerce.gov/news/press-releases/2025/11/statement-uae-and-saudi-chip-exports>) on **November 19, 2025**—the same day Crown Prince Mohammed bin Salman visited the White House. Combined value: approximately \$2 billion.

G42 ownership structure confirms UAE state control:

- Chairman: **Sheikh Tahnoun bin Zayed Al Nahyan** (UAE National Security Advisor, ruling family member) [Wikipedia]([https://en.wikipedia.org/wiki/G42_\(company\)](https://en.wikipedia.org/wiki/G42_(company)))
- Shareholders include **Mubadala Investment Company** [Wikipedia]([https://en.wikipedia.org/wiki/G42_\(company\)](https://en.wikipedia.org/wiki/G42_(company))) and the Royal Group [Wikipedia](https://en.wikipedia.org/wiki/Mubadala_Investment_Company)
- G42 co-founded **MGX**, the UAE's AI investment vehicle launched by President Sheikh Mohamed bin Zayed
- Microsoft invested \$1.5 billion (April 2024) [Wikipedia]([https://en.wikipedia.org/wiki/G42_\(company\)](https://en.wikipedia.org/wiki/G42_(company))) following G42's divestment of Chinese holdings [Wikipedia]([https://en.wikipedia.org/wiki/G42_\(company\)](https://en.wikipedia.org/wiki/G42_(company)))

HUMAIN ownership confirms PIF/Saudi state control:

- Launched May 2025, wholly owned by **Public Investment Fund (PIF)** [Al Arabiya](<https://english.alarabiya.net/News/saudi-arabia/2025/05/12/saudi-crown-prince-launches-humain-to-position-saudi-arabia-as-a-global-ai-leader>) (\$941 billion sovereign wealth fund) [Wikipedia](https://en.wikipedia.org/wiki/Public_Investment_Fund)
- Chairman: Crown Prince Mohammed bin Salman [Al Arabiya](<https://english.alarabiya.net/News/saudi-arabia/2025/05/12/saudi-crown-prince-launches-humain-to-position-saudi-arabia-as-a-global-ai-leader>)
- Saudi Aramco agreed to acquire minority stake [Yahoo Finance](<https://finance.yahoo.com/news/saudiaramco-minority-stake-pif-172731236.html>) (October 2025)
- Explicit Vision 2030 vehicle targeting 6% of global AI computing power by 2034 [Fortune](<https://fortune.com/2025/11/19/nvidia-jensen-huang-earnings-humain-saudi-arabia/>)

The simultaneous approval of identical quantities to both Gulf entities suggests coordinated US policy toward the region rather than UAE-Saudi coordination—no evidence documents direct bilateral planning between G42 and HUMAIN. However, both Mubadala and PIF co-invested in SoftBank Vision Fund (\$45 billion from PIF, Mubadala as founding investor) [PIF](<https://www.pif.gov.sa/en/news-and-insights/press-releases/2017/pif-softbank-group-and-mubadala/>) and pursue parallel strategies in AI and technology.

CFIUS approved UAE ownership with no divestment requirements

The **Committee on Foreign Investment in the United States (CFIUS) reviewed and approved** Mubadala's acquisition of IBM's microelectronics division in **July 2015**.

[Asianometry](<https://www.asianometry.com/p/the-government-semiconductor-chip>) The transaction transferred Trusted Foundry status from IBM to UAE-owned GlobalFoundries.

Pentagon concerns about domestic chip manufacturing availability were apparently satisfied by Foreign Ownership, Control, or Influence (FOCI) mitigation measures rather than divestiture.

CFIUS also **approved Mubadala's \$3 billion acquisition of Fortress Investment Group** in May 2024 after approximately one year of scrutiny specifically related to "UAE's ties with China."

[Wikipedia](https://en.wikipedia.org/wiki/Mubadala_Investment_Company)

Congressional oversight remains limited:

- House Select Committee on CCP Ranking Member Krishnamoorthi warned that "Congress's lack of visibility into these deals is unacceptable" regarding Gulf AI chip exports
[House](<https://democrats-selectcommitteeontheccp.house.gov/media/press-releases/krishnamoorthi-raises-alarm-over-potential-us-tech-deals-uae-and-saudi-arabia>)

- Senator Coons expressed concern about "being dependent on the Middle East for computing capacity" [The National](<https://www.thenationalnews.com/future/technology/2025/06/04/globalfoundries-investment-semiconductor-manufacturing/>)

- No congressional hearings have specifically addressed UAE ownership of Trusted Foundry manufacturing

GAO reports on defense supply chain risks focus primarily on China, with no specific assessments targeting UAE ownership. The National Defense Industrial Strategy (January 2024) identifies foreign dependency as "a mounting national security challenge" but without Gulf-specific recommendations. [USNI

News](<https://news.usni.org/2025/07/30/gao-report-on-the-defense-industrial-base>)

Strategic vulnerability assessment reveals structural dependency

The verified facts create a measurable strategic exposure:

UAE leverage points:

- Manufacturing capacity for classified military systems
- Supply continuity for radiation-hardened space chips used by BAE, Lockheed
- Technology development roadmap for DoD's most advanced accredited foundry
- Potential to condition continued investment on policy preferences

Comparison to other critical dependencies:

| Dependency | Foreign Control | Mitigation Status |

GlobalFoundries (UAE) 81.5% sovereign ownership of Trusted Foundry CFIUS approved; no divestment required		
TSMC Taiwan Taiwanese company; geopolitical risk Arizona fabs building; no Trusted Foundry status		
Rare earth minerals (China) 60%+ of global processing Limited domestic alternatives; DoD stockpiling		
Samsung (South Korea) Korean company Texas fabs building; no Trusted Foundry status		

Redundancy assessment: Limited. GlobalFoundries is the **only US-headquartered foundry** with Category 1A Trusted Foundry status at scale.

[GlobalFoundries](<https://gf.com/blog/ensuring-the-supply-of-trusted-chips-for-critical-needs/>) Intel's Secure Enclave is developing capabilities but not yet producing at volume. SkyWater Technology has Trusted Supplier status but only at 90nm— [Semiconductor Engineering](<https://semiengineering.com/a-crisis-in-dods-trusted-foundry-program/>) significantly less advanced than GlobalFoundries' 12nm.

[Asianometry](<https://www.asianometry.com/p/the-government-semiconductor-chip>)

No documented leverage incidents involving GlobalFoundries specifically exist in public records. However, Mubadala's broader investment portfolio raises adjacent concerns—including a €50 million stake in NSO Group's parent fund (Pegasus spyware)

[Wikipedia](https://en.wikipedia.org/wiki/Mubadala_Investment_Company) and continued Russian investments despite the 2022 invasion of Ukraine.

[Hab](https://crime.hab.media/222122-uaec_mubadala__a_326bn_fund_and_major_telegram_bondholder__deepens_covert_ties_with_top_kremlin_insiders_despite_war_sanctions)

Conclusion: Verified dependency with unexplained regulatory comfort

The factual record confirms all core claims: UAE sovereign wealth controls America's most trusted chip manufacturer, [Wikipedia](<https://en.wikipedia.org/wiki/GlobalFoundries>) which received \$1.59 billion in CHIPS Act subsidies, manufactures chips for classified military systems, and faces no ownership divestment requirements. The \$3.1 billion DoD contract [GlobalFoundries](<https://gf.com/gf-press-release/u-s-government-awards-globalfoundries-new-3-1-billion-10-year-contract-for-secure-chip-manufacturing/>) represents the Pentagon's explicit decision to deepen rather than reduce this dependency.

[Wikipedia](<https://en.wikipedia.org/wiki/GlobalFoundries>) [Daily Gazette](https://www.dailygazette.com/news/business/globalfoundries-secures-3-1b-department-of-defense-contract-10-years-for-chip-manufacturing/article_c8f9e533-06a5-5895-8a4d-9f0ceaad1d9b.html)

The strategic paradox is real but apparently deliberate. CFIUS approved this structure a decade ago; DoD has renewed the Trusted Foundry relationship through three consecutive 10-year contracts; Commerce awarded GlobalFoundries the first major CHIPS Act funding. Either the national security establishment has determined UAE ownership poses manageable risks given

mitigation measures—or institutional inertia has created a vulnerability that policymakers have not seriously examined.

What the record does not show is congressional scrutiny, GAO assessment, or public debate proportionate to the stakes. A Category 1A Trusted Foundry producing classified semiconductors for missiles, satellites, and military aircraft is majority-owned by a foreign sovereign whose interests do not always align with American policy—and \$1.59 billion in taxpayer funds is subsidizing its expansion.