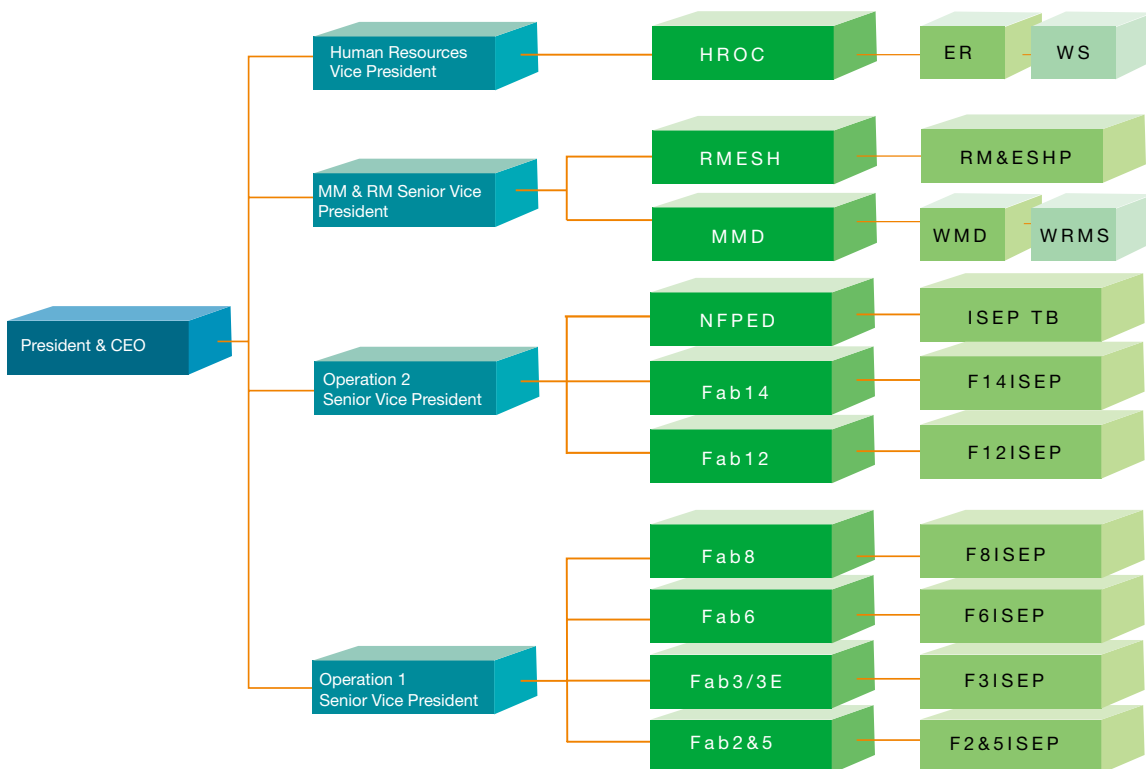




Steere's Liocichla

# 4. ESH Organization

Originally, TSMC's ESH operations were in the hands of its Industrial Safety and Environmental Protection Section, under the direct supervision of the VP of Administration. In response to corporate growth, TSMC established a corporate ESH Risk Management Department (RM) and an ESH Industrial Safety and Environmental Protection Department (ISEP) in 1995. In 2001, ISEP began reporting directly to fab directors to enhance overall operational efficiency. The Risk Management Department was also promoted to be the Risk Management & Corporate ESH Division (RMESH) in 2003.



The RMESH is under the supervision of the Senior VP of Material and Risk Management and is in charge of Risk Management and Environment, Safety & Hygiene Strategic Planning.

The RMESH is responsible for ESH planning, auditing and external communication. It sets the company's ESH guidelines, introduces the best available technologies and runs systematic audit programs to identify potential risks.

On-site ISEP is responsible for planning, supervising and implementing the ESH operations of each fab.

New fabs are under the care of the New Fab Planning & Engineering Division (NFPED), which ensures that all the planning, construction and operation steps abide by domestic regulations and the most up-to-date international specifications in order to build state-of-the-art semiconductor fabs that meet world ESH standards.

In addition, in 1998, TSMC established a Technical Board with designated participants from all fabs. Through the sharing and accumulation of technology and experience, it greatly enhances cross-fab communication, cooperation and resource allocation, and it generates Best Known Methods (BKMs) for problem solving and standardization.