

TSMC ANTI-CORRUPTION COMMITMENT

With integrity as our core value, TSMC takes a zero-tolerance approach to preventing corruption. Corrupt practices include bribes, facilitation payments, kickbacks, collusion, embezzlement, fraud, misappropriation of property, and other activities intended to improperly influence a third party or intended to enrich oneself to the detriment of the company.

TSMC's Directors, employees, and any third party agents conducting business for or with TSMC, are expected to know and follow TSMC's rules regarding anti-corruption.

Bribery Prohibited:

TSMC prohibits the paying or receiving of bribes, facilitation payments or kickbacks. Persons conducting business with or on behalf of TSMC cannot offer any benefit as a bribe, whether the giver or recipient is a government official or a private party.

What is a bribe?

Bribes are benefits improperly given with intent to affect a person's actions or decisions in order to gain or retain an improper business, regulatory or personal advantage. Bribes include kickbacks, and facilitation payments, where a person pays a benefit to facilitate or expedite the performance of a government action.

What is a benefit?

The term benefit is be construed broadly to include a wide range of tangible or intangible benefits such as gifts (including cash and cash equivalents), entertainment, travel, meals and lodging, hospitality, loans, equity interests in a business, or promises of future employment.

When is a gift permissible?

TSMC generally recommends avoiding the giving or receiving of gifts, however, a gift may be permissible if it:

- Is offered and received openly, transparently and infrequently;
- Is a type that is customarily exchanged, legally permissible and motivated solely by gratitude or respect;
- Does not create a conflict of interest;
- Is reasonable and appropriate in value, with a threshold of NT\$3,000;
- Is not cash or a cash equivalent (including securities or gift cards); and
- Is determined as appropriate in the frequency of a benefit offering and receiving based on accepted business etiquette.

Avoiding Conflicts of Interest:

TSMC employees and those performing services for or on behalf of TSMC are required to proactively avoid any actual or potential conflict of interest. If a conflict cannot be avoided, the conflict must be declared and reported to TSMC.

What is a conflict of interest?

Conflicts of interest occur when individual activities or personal relationships interfere, actually or potentially, with the person's ability to fairly and objectively perform his or her job duties and make business decisions in the best interest of TSMC. Examples include:

- Employees or their close relatives hold a position at a TSMC customer, supplier or competitor.
- Employees or their close relatives have a financial interest in a TSMC customer, supplier or competitor.
- Employees use TSMC's resources for their personal affairs or for personal gain without prior permission.

What happens if I have a conflict of interest that cannot be avoided?

TSMC will take appropriate measures to mitigate conflicts of interest that cannot be avoided where practical, including adjusting the position, job assignment, or business relationships, if necessary.

Engaging with and Managing Third Party Agents:

Individuals in charge of selecting third party agents (whether businesses or individuals) to act with or on behalf of TSMC exercise appropriate assessments to ensure that only reputable parties will be engaged by TSMC.

Individuals who manage, supervise or oversee the activities of third party agents monitor their activities to ensure compliance with TSMC's ethical standards, including these rules, and report timely any violations.

Political and Charitable Contributions:

TSMC and its subsidiaries do not generally make political contributions. TSMC cannot make any political contributions under Taiwan law as TSMC is majority-owned by foreign shareholders.

Any charitable contribution made from the assets of TSMC should be made in compliance with local law and requires the approval of TSMC's Chairman.

Keeping Accurate Records:

TSMC requires proper accounting for all financial transactions, including reimbursement of gifts and entertainment expenses. Ensure that all relevant records, including invoices, expense reports, and any other business record, accurately reflect the transaction. Do not misstate facts, omit information or modify records or reports in any way.

Reporting Potential or Actual Violations:

If you have any question or concern about an actual or potential violation of TSMC's rules regarding anti-corruption, please promptly notify TSMC through your business contact or through the following reporting channel:

<https://www.tsmc.com/tsmcdotcom/EthicsReportSrv/english/index.html>

Whistleblower Protection:

TSMC does not retaliate against any individual who in good faith reports an actual or potential violation of these rules or participates in an investigation of any reported violation.

Note:

This TSMC Anti-Corruption Commitment is a summary of the TSMC Ethics and Business Conduct Policy and TSMC Anti-Corruption & Conflicts of Interest Rules.

If you have any suggestions or questions regarding TSMC Anti-Corruption Commitment, please contact us at:

<https://www.tsmc.com/tsmcdotcom/EthicsReportSrv/english/index.html>