



About TSMC

* Overview

Established in 1987 and headquartered in Hsinchu Science Park, Taiwan, TSMC pioneered the pure-play foundry business model with an exclusive focus on manufacturing customers' products. By choosing not to design, manufacture or market any semiconductor products under its own name, the Company ensures that it never competes with its customers. And so, the key to TSMC's success has always been to enable its customers' success. TSMC's foundry business model has enabled the rise of the global fabless industry, and TSMC is now the world's largest semiconductor foundry, manufacturing 10,761 different products using 272 distinct technologies for 499 different customers in 2019.



TSMC-manufactured semiconductors serve a global customer base that is large and diverse and includes a wide range of applications in the computer, communications, consumer, and industrial/standard segments. These products are used in a variety of end markets including mobile devices, high performance computing, automotive electronics and the Internet of Things (IoT). Strong diversification helps to smooth fluctuations in demand, which in turn helps TSMC maintain higher levels of capacity utilization and profitability, and generate healthy returns for future investment.

* Vision

Our vision is to be the most advanced and largest technology and foundry services provider to fabless companies and IDMs, and in partnership with them, to forge a powerful competitive force in the semiconductor industry.

* Mission

Our mission is to be the trusted technology and capacity provider of the global logic IC industry for years to come.

* TSMC Core Values

• Integrity

Integrity is our most basic and most important core value. We tell the truth. We believe that the record of our accomplishments is the best proof of our merit. Hence, we do not brag. We do not make commitments lightly. Once we make a commitment, we devote ourselves completely to meeting that commitment. We compete to our fullest within the law, but we do not slander our competitors and we respect the intellectual property rights of others. With vendors, we maintain an objective, consistent, and impartial attitude. We do not tolerate any form of corrupt behavior or politicking. When selecting new employees, we place emphasis on the candidates' qualifications and character, not connections or access.

• Commitment

TSMC is committed to the welfare of customers, suppliers, employees, shareholders, and society. These stakeholders all contribute to TSMC's success, and TSMC is dedicated to serving their best interests. In return, TSMC hopes all these stakeholders will make a mutual commitment to the Company.

• Innovation

Innovation is the wellspring of TSMC's growth, and is a part of all aspects of our business, from strategic planning, marketing and management, to technology and manufacturing. At TSMC, innovation means more than new ideas, it means putting ideas into practice.

• Customer Trust

At TSMC, customers come first. Their success is our success, and we value their ability to compete as we value our own. We strive to build deep and enduring relationships with our customers, who trust and rely on us to be part of their success over the long term.

* Business Philosophy

1. Integrity

Integrity means

- We tell the truth
- We believe that the record of our achievements is the best proof of our merit. Hence, we do not brag or boast.
- We do not make commitments lightly. Therefore, once we make a commitment, we devote ourselves completely to meeting that commitment.
- With competitors, we compete to our fullest within the limits of the law, but we do not slander them in order to gain benefit for ourselves. We also respect intellectual property rights of others.
- With vendors, we maintain an objective, consistent, and impartial attitude.
- We do not tolerate any form of corrupt behavior or politicking. At TSMC, company politics are forbidden. When selecting new employees, we place emphasis on the candidates' qualifications and character, not connections or "guan-xi"



2. Focus on our Core Business: IC Foundry

We must focus on our business at all times, which is dedicated IC foundry, and not distract ourselves with other pursuits.

3. Globalization

Our target is and always has been the global market. We do not limit ourselves to Taiwan or any other specific geographical region. We recognize that the semiconductor business has no national boundaries, and that to be competitive anywhere we must be competitive worldwide.

4. Long-term Vision and Strategies

An enterprise whose success endures is much like a successful marathon runner, whose skills and objectives are quite different from a short-distance sprinter. We truly believe that a person or company that does not plan carefully for the future will soon have problems in the present. We are confident that if we do a good job of long term planning and execution, we will greatly reduce the need for crisis management.

5. Treating Customers as Partners

Since the company was founded, we have treated our customers as partners and have never competed against them. This policy is the key to our current success and will be crucial to our continued growth. At TSMC, customers come first. Their success is our success, and we value their ability to compete as we value our own.

6. Building Quality into all Aspects of our Business

Every TSMC employee is responsible for providing the highest quality service. To achieve this, each person continuously evaluates and improves the quality of his or her own work. Our greatest goal is to achieve and maintain complete customer satisfaction.

7. Unceasing Innovation

Innovation is the wellspring of TSMC's growth. It is vital to all sectors of our business, from strategic planning to marketing to management to technology and production.

8. Fostering a Dynamic and Fun Work Environment

For most people who work at TSMC, participating in a challenging and enjoyable work environment full of opportunities to learn new skills is even more important than monetary rewards. To retain talented people who share our goals and interests, we work hard to foster a dynamic and enjoyable work environment.

9. Keeping Communication Channels Open

TSMC has implemented an open-style management system designed to keep all lines of communication open. Employees openly cooperate with one another, while treating each other with honesty and sincerity. Everyone welcomes constructive criticism and is willing to seek improvement. This management style allows all opinions to be expressed before a final decision is made. Once a decision is made, everyone works together to achieve the set goal.

10. Caring for Employees and Shareholders, and Being a Good Corporate Citizen

Employees and shareholders are both important constituents of our company. Our goal is to provide salary and benefits packages for employees that are above the industry average. TSMC also aims to earn a return on investment for shareholders above the industry average. We clearly understand that the success of our company depends greatly on the well-being of society and the environment where the company is established. Therefore, it is essential that we give back to society, consistently within our means, and serve as a model corporate citizen.

* TSMC Differentiation

TSMC's leadership position is based on three defining competitive strengths and a business strategy rooted in the Company's heritage. The Company distinguishes itself from the competition through its technology leadership, manufacturing excellence and customers' trust.



As a technology leader, TSMC is consistently first among dedicated foundries to provide next generation, leading-edge technologies. The Company also maintains a leadership position in more mature

technologies by applying the lessons learned in leading-edge technology development to enrich its specialty technologies. Beyond process technology, TSMC has established frontend and backend integration capabilities to create the optimum power/performance/area "sweet spot" to help customer achieve faster time-to-production.

Well known for industry-leading manufacturing management capabilities, TSMC extends that leadership through its Open Innovation Platform® and Grand Alliance initiatives. The Open Innovation Platform® initiates quickens the pace of innovation in the semiconductor design community and among its ecosystem partners, as well as in the Company's own IP, design implementation and design for manufacturing capabilities, process technology and backend services. A key element is a set of ecosystem interfaces and collaborative components initiated and supported by the Company that more efficiently empower innovation throughout the supply chain and drive the creation and sharing of new revenue and profits. The TSMC Grand Alliance is one of the most powerful forces for innovation in the semiconductor industry, bringing together customers, electronic design automation (EDA) partners, IP partners, and key equipment and material suppliers at a new, higher level of collaboration. Its objective is to help customers, alliance members and TSMC win business and increase competitiveness.

The foundation for customer trust is a commitment TSMC made when it opened for business in 1987 to never compete with its customers. As a result, TSMC has never owned or marketed a single semiconductor product, but instead has focused all of its resources on becoming the trusted foundry for its customers.

For further information, please refer to the annual report ([Hyperlink](#)) 5.2 Technology Leadership, 5.3 Manufacturing Excellence and 5.4 Customer Trust.