



Water Statement

Water is a precious resource for our planet. As a global semiconductor industry leader, TSMC is committed to sustainable water resource management. Mindful of how our operations and supply chain both relies and makes an impact on the water supply, we reduce the consumption of natural water at each stage of the product life cycle, use water effectively, drive reuse and reclamation, and continue to eliminate pollutants in effluents to prevent water pollution. At the same time, TSMC collaborates with stakeholders to build and utilize Reclaimed Water Plants, actively responding to the UN Sustainable Development Goals and global water resource and biodiversity initiatives. We protect the rights of all to clean and sustainably managed water, preventing consumption impacts on our neighboring communities. As we advance towards net zero emissions for the Company by 2050, we aim to further protect the water ecosystem and improve climate resilience for the Company and the supply chain to achieve our objective of being water positive.

Our Commitment

TSMC is committed to reducing natural water consumption in operations and across the supply chain to minimize environmental impacts. We have established a sustainable water management system with comprehensive policies and management guidelines that surpass regulatory requirements and lead the supply chain to do our utmost to conserve water. TSMC promotes environmental education for stakeholders, ensures water resource safety, and drives aquatic ecosystem restoration and conservation projects to realize the sustainable circulation of water resources.

Our Principle

We tangibly fulfill our commitment to sustainable water management according to the TSMC ESG Policy, Environmental Policy, Climate Change Statement, Biodiversity Statement, and Supplier Code of Conduct.

Our Strategies

- **Explore diverse water resources and strengthen natural water resource management**
Enhance water resource risk management, continue to raise the proportion of reclaimed water used in our fabs, reduce reliance on natural water resources, and minimize our operations' impacts and competition for water resources.
- **Take action on water conservation and optimize fabs' water consumption efficiency**
Establish proactive water conservation targets, enhance water consumption management and water conservation, and continue to reduce water consumption per product unit, improving sustainable development of water resources and freshwater ecosystems.
- **Develop preventive technologies and realize green manufacturing**
Progressively replace hazardous substances, strengthen the effectiveness of water pollution control, and develop innovative water pollution purifying technologies, enabling resource renewability and reducing environmental impacts.

- **Join hands with supply chain partners and strive for sustainable water management**

Build a firm foundation of sustainability resilience through evaluations, audits, and training by requiring suppliers to establish substantial water conservation targets, continuous water conservation actions, improve water consumption efficiency, effectively control water pollution, and expanding the use of reclaimed water and other diverse water sources.

- **Improve community environmental awareness through education and promotion**

TSMC leverages its green buildings/facilities and Reclaimed Water Plants as venues for environmental education. We join hands with industry, government, and academia to promote our aquatic ecosystem conservation projects to jointly raise awareness in nature and ecosystem conservation in communities to facilitate more sustainable use of water resources.

- **Water resource restoration and realizing the benefits of achieving water positive status**

Utilizing innovative thinking and technologies to move beyond the concept of balanced water consumption while considering the uniqueness of local communities, TSMC actively seeks cooperation with stakeholders and local communities to create opportunities for water resource restoration and supplementation to drive positive change.



C.C. Wei
Chairman and CEO
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