Sustainable Raw Material Policy

TSMC recognizes that the use of sustainable raw materials is one of the key factors to achieving sustainable development. The Company rigorously traces and manages the sources of metals, gases, chemicals, and other raw materials, promoting resource recycling to increase reuse and reduce consumption of virgin materials. Furthermore, TSMC collaborates with stakeholders to minimize the impact of raw material production on the environment, society, and biodiversity.

Our Commitment

TSMC is committed to putting sustainable raw materials management into action, and uses a life cycle mindset to mitigate the environmental and social impact of raw materials at the extraction, production, transportation, and usage stages. The Company works with the supply chain to vigorously drive resource regeneration initiatives to build a resilient and sustainable raw materials supply chain.

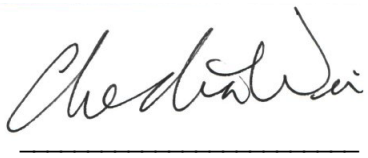
Our Principle

TSMC follows its ESG Policy, Environmental Policy, Climate Change Statement, Biodiversity Statement, Statement on Responsible Sourcing of Minerals, as well as its Supplier Code of Conduct, Supplier Sustainability Standards, Supplier Material Packaging White Paper Regulations, and Supplier Transport Management White Paper Regulations to act on the Company's commitment to sustainable raw materials.

Our Strategies

- **Take action on sustainable raw materials to minimize impact**
  Through continuous management, mitigate the environmental impact of production on climate change, energy resources, and ecosystems; track social issues such as supply chain human rights, health and safety, and ethics and reduce the impacts of raw materials extraction and production.
- **Collaborate with suppliers to optimize raw material management**
  Require supply chain partners to comply with regulations such as the Supplier Code of Conduct and Supplier Sustainability Standards, and collaborate with internal and external stakeholders for best practice in raw materials management and move together towards sustainable development.
- **Increase the use of third-party verified raw materials**
  Adopt a third-party verification standard for raw materials, including the detection of potentially toxic and environmentally contaminating substances, and verification of the ratio of recycled materials, to ensure the sustainability and verifiability of raw material supply sources, and increase the use of raw materials that have passed third-party verification.

- **Realize raw material sustainability through circular economy**
  Promote the recycling of raw material resources, develop recycling and reuse technology, improve the quality of recycled materials, replace virgin materials with recycled materials, and increase the proportion of recycled materials.
- **Adopt impact mitigation policies to protect biodiversity**
  Utilize checklists of national and international protected areas to identify global and nationally important biodiversity sites, and avoid using raw materials that may come from these regions to increase environmental sustainability.



C.C. Wei
Chairman and CEO
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