


TAIWAN SEMICONDUCTOR MFG CO

MEETING DATE	Tue, 08 Jun 2021 9:00 am	TYPE	AGM	ISSUE DATE	Tue, 01 Jun 2021
MEETING LOCATION	Ambassador Hotel Hsinchu, 10F, No. 188, Section 2, Zhonghua Road, Hsinchu, ROC				
CURRENT INDICES	PIRC SE Asia				
SECTOR	Semiconductors and related devices				
FYE	31 Dec 2020				

	PROPOSALS	ADVICE
1	<p>Approve Financial Statements</p> <p>Disclosure is considered adequate and was made available sufficiently before the meeting. The financial statements have been audited and certified. Triodos supports this resolution.</p>	For
2*	<p>Amend Articles: Procedures for Directors Election</p> <p>It is proposed to amend the company's by-laws to comply with new laws/regulations. The proposed articles (9 and 10) amendments are in regard to comply with the new rules proposed by the Taiwan Stock Exchange. Although it would be preferred that the company submitted each amendment for approval separately, full disclosure of the amendments has been provided and no serious concerns have been identified. Triodos supports this resolution.</p>	For
3	<p>Issuance of Shares for Existing Incentive Plan</p> <p>Proposal to allot shares to Executive Directors and Senior Management as part of the annual variable remuneration accrued in the past year. Performance targets and underlying achievements have not been fully disclosed and quantified, although shareholders will be able to vote on this separately on the item for the approval of the remuneration report. Nevertheless, payments in shares are welcomed as they are considered to be linked with shareholders' interests and this proposal will not entail an authority for additional remuneration to executive. On balance, and despite standing concerns on lack of disclosure Triodos supports this resolution.</p>	For
4.1	<p>Re-elect Mark Liu - Chair (Executive)</p> <p>Executive Chair. It is a generally accepted norm of good practice that the Chair of the Board should act with a proper degree of independence from the company's management team when exercising his or her oversight of the functioning of the Board. Holding an executive position is incompatible with this. Triodos opposes this resolution.</p>	Oppose
4.2	<p>Re-elect C.C. Wei - Chief Executive</p> <p>Chief Executive.</p>	For
4.3	<p>Re-elect F.C. Tseng - Non-Executive Director</p> <p>Non-Executive Director. He is a former executive of the company. He was Deputy Chief Executive Officer from August 2001 to June 2005 and President from May 1998 to August 2001. In addition, he serves as Chair of the company's subsidiary TSMC (Shanghai) Company Ltd and has been on the Board for more than nine years. There is insufficient independent representation on the Board.</p>	Oppose
4.4	<p>Elect Ming-Hsin Kung - Non-Executive Director</p> <p>Non-Executive Director. Not considered independent as the director is considered to be connected with a significant shareholder: National Development Fund. There is insufficient independent representation on the Board.</p>	Oppose
4.5	<p>Re-elect Peter Leahy Bonfield - Non-Executive Director</p> <p>Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board.</p>	Oppose

- 4.6 Re-elect Kok-Choo Chen - Non-Executive Director** **For**
Non-Executive Director. Not considered to be independent as she is a former Executive of the company (Senior Vice President and General Counsel from 1997 to 2001). Additionally, she has been on the board for over nine years. Although there is insufficient independent representation on the Board, Triodos values board diversity and as this director is the only woman on the board Triodos supports this resolution.
- 4.7 Re-elect Michael R. Splinter - Non-Executive Director** **For**
Independent Non-Executive Director. Although there are concerns over potential aggregate time commitments, this director has attended all Board and committee meetings during the year under review. On balance, support is recommended.
- 4.8 Re-elect Moshe N. Gavriellov - Non-Executive Director** **For**
Independent Non-Executive Director. Although there are concerns over potential aggregate time commitments, this director has attended all Board and committee meetings during the year under review. On balance, support is recommended.
- 4.9 Re-elect Yancey Hai - Non-Executive Director** **For**
Independent Non-Executive Director.
- 4.10 Elect L. Rafael Reif - Non-Executive Director** **Abstain**
Newly-appointed Independent Non-Executive Director. New director proposed, it is considered that the election of new non-executive directors should not be supported until gender diversity is improved on the Board.
Triodos abstains this resolution.
** = Special resolution*
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