





Company:	Taiwan Semiconductor Manufacturing Co Ltd
Sector:	Semiconductors & Semiconductor Equipment
Report Year:	2013
Headquarters:	Taiwan
Standard Application:	GRI 3.1 A+, AA1000
Format:	Matrix

Stakeholder Materiality Analysis



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| <ul style="list-style-type: none"> ● Significant Topics 1 Pollution Prevention 2 Legal Compliance 3 Semiconductor Prospect 4 Corporate Governance 5 Continuous Increase of Profit 6 Water Resource Management 7 Greenhouse Gas Reduction 8 Employee-employer Relationship 9 Energy/Resource Usage 10 Future Growth 11 Company's Competitiveness 12 Compensation and Benefit 13 Waste Management 14 Human Right 15 Customer Trust 16 Green Product | <ul style="list-style-type: none"> ● Secondary Topics 17 Trade Secret Protection 18 People Retention 19 Occupation Safety and Health 20 Supply Chain Management 21 Eco Preservation 22 Individual Development 23 Response to Organization Change 24 Recruiting 25 Employee Recognition | <ul style="list-style-type: none"> ● General Topics 26 Career Development 27 Environmental Accounting 28 Indirect Environmental Impact 29 Work Flow 30 Social Welfare 31 Manager Leadership 32 Dividend Policy 33 Employee Communication |
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Summary for TSMC Stakeholders Engagement in 2013

Stakeholders	Stakeholders Engaged	Communication Channels	Topics of Concern	2013 TSMC's Actions
 Employees	<ul style="list-style-type: none"> All employees 	<ul style="list-style-type: none"> Corporate intranet Announcements Human resource representatives Regular/Ad-hoc communication meetings Employee voice channels, such as immediate response system/ employee opinion box/wellness center/wellness website, etc. 	<ul style="list-style-type: none"> Legal compliance Labor relations Employee recognition Salary and benefits Occupational health and safety 	<ul style="list-style-type: none"> Successfully creating diversified job opportunities for disabled persons Quarterly labor-management meetings; as well as responsive submission channels to collect employees opinions Health promotional programs under the theme of "Infuse Lohas into Your Life"
 Customers	<ul style="list-style-type: none"> Customer-Foundry Operation and Quality organizations 	<ul style="list-style-type: none"> Annual customer satisfaction survey Customer quarterly business review meeting Customer quarterly technical review meeting Customer audits 	<ul style="list-style-type: none"> Process technologies Product quality and reliability Design support Customer service Delivery and capacity Price Green product Conflict mineral free survey Proprietary information protection 	<ul style="list-style-type: none"> Annual customer satisfaction survey Quarterly business review meeting Quarterly technical review meeting
 Suppliers	<ul style="list-style-type: none"> Raw material suppliers Facility/Equipment suppliers Tool suppliers Electronic parts suppliers 	<ul style="list-style-type: none"> Supplier quarterly business review meeting Supplier questionnaire survey Supplier on-site audit Annual supply chain management forum 	<ul style="list-style-type: none"> Supply chain management Environmental Safety & Health (ESH) management Regulatory compliance 	<ul style="list-style-type: none"> Supplier business review meeting Supplier questionnaire survey TSMC 2013 Supply Chain Management Forum
Stakeholders	Stakeholders Engaged	Communication Channels	Topics of Concern	2013 TSMC's Actions
 Shareholders & Investors	<ul style="list-style-type: none"> Shareholders who directly or indirectly participated in Annual Shareholder Meeting Investors and analysts who attend Quarterly Earnings Conferences in person or via telephone or the Internet Investors or analysts who sent questions or feedback via telephone or emails Taiwan Stock Exchange and U.S. SEC 	<ul style="list-style-type: none"> Hold Annual Shareholder Meeting Hold Quarterly Earnings Conference Participate in investor conferences and meetings Answer investors' questions and collect feedback via telephone and emails. Issue Annual Reports, Corporate Responsibility Reports, 20-F filings to U.S. SEC, material announcements to Taiwan Stock Exchange, and corporate news on company's website 	<ul style="list-style-type: none"> Semiconductor industry outlook Company's competitive advantages Potential for future growth Continuous profitability improvement Dividend policy Management change 	<ul style="list-style-type: none"> Highlight the fast growth of 28nm business and company's competitive advantages Report current development progress of 20 and 16nm technologies Highlight company's niche and growth potential in the mega trend of mobile computing Report company's status in achieving its 5-year strategic financial goals Communicate the considerations in raising cash dividend in the future Communicate the arrangements for CEO succession

Stakeholder Engagement

TSMC pursues sustainable operations and establishes multiple transparent and effective communication channels with stakeholders. These channels help TSMC understand their needs and expectations, which serve as important references for our CSR policy and plans.

In 2011, TSMC formed a CSR committee led by Senior Vice President Lora Ho and Volunteer Program President Ms. Sophie Chang. TSMC's CSR committee include representatives from Customer Service, Human Resources, Investor Relations, Legal, Material and Supply Chain Management, Operations, Public Relations, Quality and Reliability, R&D, Risk Management, Corporate ESH, and the independent TSMC Education & Culture Foundation. These representatives participate in our CSR quarterly meeting and compile stakeholders' concerns through various channels, communicate with them, and ensure implementation of appropriate initiatives and programs responsive to those interests and concerns.

In 2012, we included CSR in the Board meeting agenda at the first time. Our annual CSR achievements and projects will be reported in the Board meeting periodically so as to be an importance reference for decision making.

