

**Meeting Notice
for
Annual Shareholders' Meeting
(Summary Translation)**

The 2024 Annual Shareholders' Meeting (the "Meeting") of Taiwan Semiconductor Manufacturing Company, Ltd. (the "Company") will be convened at 9:00 a.m., (check-in will start from 8:00 a.m.) Tuesday, June 4, 2024 at Ambassador Hotel Hsinchu (10F, No. 188, Section 2, Zhonghua Road, Hsinchu, Taiwan).

1. The agenda for the Meeting is as follows:

I. Report Items

- (1) To report the business of 2023
- (2) Audit and Risk Committee's review report
- (3) To report 2023 earnings distribution
- (4) To report 2023 directors' compensation
- (5) To report 2023 employees' profit sharing
- (6) To report the issuance of unsecured corporate bonds

II. Proposed Resolutions

- (1) To accept 2023 Business Report and Financial Statements
- (2) To revise the Articles of Incorporation
- (3) To approve the issuance of employee restricted stock awards for year 2024

III. Directors Election

To elect ten Directors (including seven Independent Directors)

IV. Special Motion

2. Employee Restricted Stock Awards for Year 2024: please refer to the attachment.

3. Directors Election:

There will be an election for ten Directors (including seven Independent Directors) at the Meeting. Related information is as follows:

I. Candidates of Director:

- (1) C.C. Wei
- (2) F.C. Tseng
- (3) Ming-Hsin Kung
(Representative of National Development Fund, Executive Yuan)

Candidates of Independent Director:

- (4) Sir Peter L. Bonfield
- (5) Michael R. Splinter
- (6) Moshe N. Gavriellov

- (7) L. Rafael Reif
- (8) Ursula M. Burns
- (9) Lynn L. Elsenhans
- (10) Chuan Lin

II. Education and experience of the candidates: please refer to the Meeting Agenda: 【<https://investor.tsmc.com/english/shareholders-meeting/2024>】

- 4. Pursuant to Article 172 of the Company Act, please refer to the Meeting Agenda: 【<https://investor.tsmc.com/english/shareholders-meeting/2024>】 for the major content of the revision to Articles of Incorporation's and the election of ten Directors (including seven Independent Directors).
- 5. Pursuant to Article 165 of the Company Act, the shareholder register will be closed from April 6, 2024 to June 4, 2024.
- 6. **If the shareholder(s) is attending the meeting in person, please sign or stamp on the Attendance (in-person) check-in card and submit it to the check-in desk on the day of the meeting.** If an agent is entrusted to attend the meeting on behalf of the shareholder, the shareholder shall sign or stamp on the proxy form and personally fill out the name and address of the agent, then deliver the proxy form to the Transfer Agency Department of Chinatrust Commercial Bank at least 5 days prior to the day of the meeting so that the Attendance (proxy) check-in card can be sent to the agent accordingly.
- 7. If a proxy is solicited by the shareholder(s), Company is required to compile a summary statement of the Solicitor Solicitation Information and disclose such information on the Securities & Futures Institute (SFI) website no later than May 3, 2024. Shareholder(s) can obtain information on the "Free proxy disclosure & related information system" (<https://free.sfi.org.tw>) by entering the searching criteria.
- 8. **Shareholders may exercise their voting rights electronically through the STOCKVOTE platform of Taiwan Depository & Clearing Corporation 【<https://stockservices.tdcc.com.tw>】 during the period from May 4, 2024 to June 1, 2024.**
- 9. The Transfer Agency Department of Chinatrust Commercial Bank is the proxy tallying and verification institution for this Meeting.
- 10. Please be advised and act accordingly.

Board of Directors

Taiwan Semiconductor Manufacturing Company, Ltd.

Attachment

Issuance of Employee Restricted Stock Awards (“RSAs”) for Year 2024:

To attract and retain corporate executives and critical talents and to link their compensation with shareholders’ interests and Environmental, Social and Governance (“ESG”) achievements, it is proposed to approve the issuance of the Employee Restricted Stock Awards (“RSAs”) for year 2024 (this “Issuance”) in accordance with the relevant regulations. Major details of this proposed Issuance are as follows:

- (1) Expected total shares to be issued: The number of shares to be issued under this Issuance will not exceed 4,185,000 common shares, which is based on a budget capped at 0.3% of the prior year’s Net Income. After this Issuance is approved both at the shareholders’ meeting and by the competent government authority, the actual number of shares to be issued will be submitted to the Board of Directors for approval.
- (2) Eligibility and the number of shares employees may be granted:
 - i. Only executive officers of the Company or selected critical talents of the Company or the Company’s subsidiaries who are employed full time as of the date of the granting of the RSAs and who meet certain performance requirements are eligible for this incentive plan. Eligible employees must also be those who (a) have a significant influence on the Company’s or the Company’s subsidiaries’ operational decisions or (b) are the Company’s or the Company’s subsidiaries’ selected critical talents for its future core technologies and strategy development.
 - ii. The number of shares granted to eligible employees will be determined by Chairman and CEO and approved by the Board of Directors by reference to the allocation principles determined based on the Company’s business performance and the employee’s job grade, performance, and other factors as deemed appropriate. Before submitting to the Board for approval, the grants to executive officers and to non-executive officers shall be subject to the approval by the Compensation and People Development Committee and by the Audit and Risk Committee respectively.
- (3) Major terms and conditions of the RSAs:
 - i. Expected issue price: Grants will be made free of charge.
 - ii. Vesting conditions:

- The RSAs granted to an employee can only be vested if (i) the employee remains employed by the Company or the Company’s subsidiaries on the last date of each vesting period; (ii) during the vesting period, the employee may not breach any agreement with the Company or the Company’s subsidiaries or violate the Company’s or the Company’s subsidiaries’ work rules; and (iii) certain employee performance metrics and the Company’s business performance metrics are met, as detailed in the Employee Restricted Stock Awards Rules.
- The maximum percentage of granted RSAs that may be vested each year shall be as follows: one-year anniversary of the grant: 50%; two-year anniversary of the grant: 25%; and three-year anniversary of the grant: 25%; provided that the actual percentage and number of the RSAs to be vested in each year will be calculated based on the achievement of the Company’s business performance metrics, as detailed in the following points.
- For eligible executive officers of the Company: The maximum number of RSAs that may be vested in each year will be set as 110%, among which 100% will be subject to a calculation based on the Company’s relative TSR^{Note} achievement (see table below) to determine the number of RSAs to be vested; this number will be further subject to a modifier to increase or decrease up to 10% based on the Compensation and People Development Committee’s evaluation of the Company’s ESG achievements. The number of shares so calculated should be rounded down to the nearest integral.

The Company’s TSR relative to the TSR of S&P 500 IT Index	Ratio of shares to be vested
Above the Index by X percentage points	50% + X * 2.5%, with the maximum of 100%
Equal to the Index	50%
Below the Index by X percentage points	50% - X * 2.5%, with the minimum of 0%

Note: TSR: Total Shareholder Return (including capital gains and dividends)

- For eligible employees who are not executive officers of the Company and the Company’s subsidiaries: The number of RSAs to be vested in each year will be calculated in accordance with the below table based on the Company’s audited consolidated financial statements for the year prior to the vesting year. The number of shares so calculated should be rounded down to the nearest integral.

	Threshold	Target	Weighting	Ratio of shares to be vested
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Revenue Growth	10%	15%	One-third	<ul style="list-style-type: none"> • < Threshold: 0% • = Threshold: 50% • ≥ Target: 100% • Between Threshold and Target: as calculated by interpolation method
Gross Margin	50%	53%	One-third	
Return on Equity (ROE)	20%	25%	One-third	

iii. Measure to be taken where employees fail to meet the vesting conditions or in the event of inheritance: Where an employee fails to meet the vesting conditions, the Company will reclaim the granted RSAs and cancel the same at no extra cost to the Company; for exceptional events, including but not limited to inheritance, the Company will take measures as set forth in the Employee Restricted Stock Awards Rules.

(4) Estimated expenses, dilution of the Company's EPS and other matters that may affect the shareholders' interests: Based on the measurement specified in Section (3) ii above, the total expenses are preliminarily estimated at approximately NT\$1,728 million. Assuming that the RSAs will be issued at the beginning of September 2024, the total expenses from 2024 to 2027 are projected to be approximately NT\$409 million, NT\$935 million, NT\$288 million and NT\$96 million respectively.

Based on the Company's outstanding shares, the potential impact from above mentioned expenses to the Company's EPS is preliminarily estimated at approximately NT\$0.0118, NT\$0.0270, NT\$0.0083, and NT\$0.0028 from 2024 to 2027 respectively. The potential dilution of the Company's EPS is minimal; therefore, there is no material impact on shareholders' interest.

(5) Granted RSAs will be deposited in a stock trust custody account.

(6) If any revision or adjustment has to be made due to any requirement of the competent authority or amendment to the laws and regulations, it is proposed that the shareholders, at the Annual Shareholders' Meeting, authorize the Board of Directors or the person authorized by the Board of Directors to handle all relevant matters regarding the granting of the RSAs.