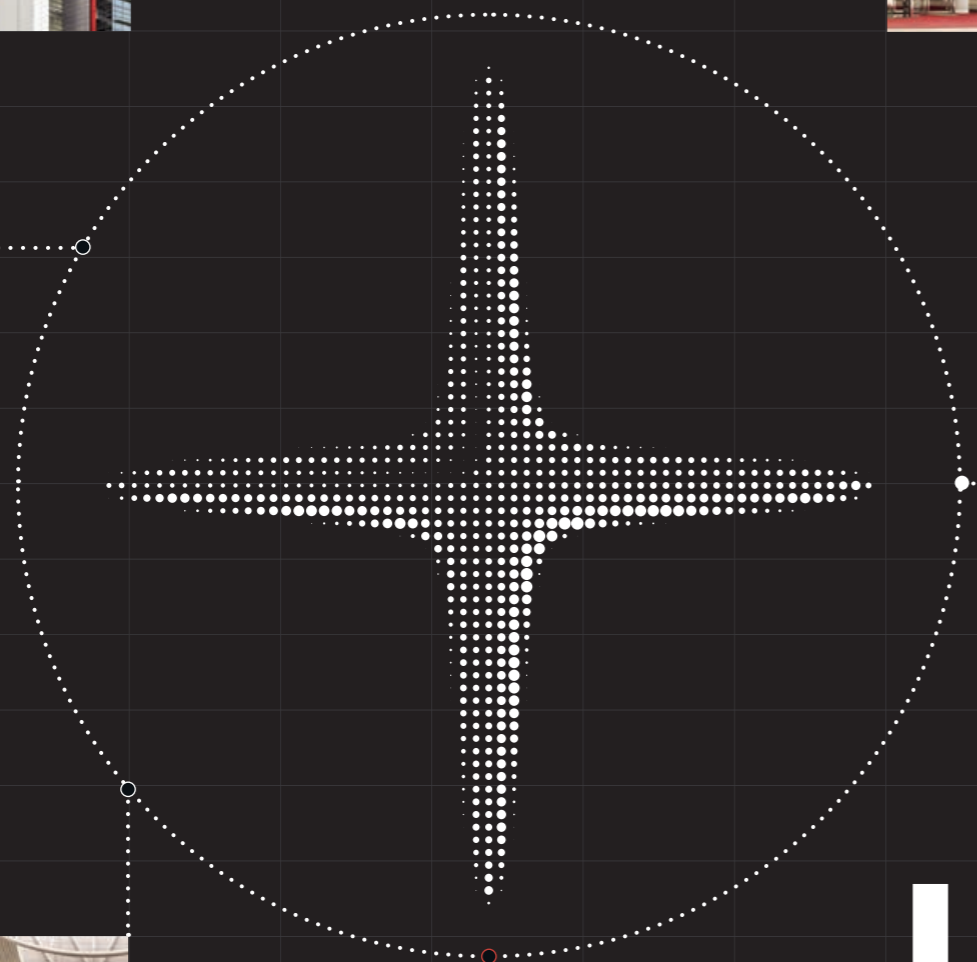


CHAPTER

Capital and Shares



4

TSMC continued to increase our investment in R&D to US\$7.92 billion to extend our technology leadership and differentiation.

4.1 Capital and Shares

4.1.1 Capitalization

Unit: Shares/NT\$

As of 02/28/2026

Month/Year	Face Value Per Share	Authorized Share Capital		Capital Stock		Remark		
		Shares	Amount	Shares	Amount	Sources of Capital	Capital Increase by Assets Other than Cash	Date of Approval (Month/Day/Year) & Approval Document No.
06/2025	10	28,050,000,000	280,500,000,000	25,932,615,521	259,326,155,210	Employee Restricted Stock Awards Cancellation: NT\$1,177,210	None	06/04/2025 Chu Shang Tzu No. 1140016761
11/2025	10	28,050,000,000	280,500,000,000	25,932,524,521	259,325,245,210	Employee Restricted Stock Awards Cancellation: NT\$910,000	None	11/25/2025 Chu Shang Tzu No. 1140036788

Note: On 03/01/2026, based on the vesting conditions, 32,060 common shares, 81,394 common shares, and 41,000 common shares in the form of Employee Restricted Stock Awards for year 2022, year 2023, and year 2024, respectively, were reclaimed and will be cancelled subsequently.

4.1.2 Capital and Shares

Unit: Shares

As of 02/28/2026

Type of Stock	Authorized Share Capital		Total
	Listed Shares	Unissued Shares	
Common Stock	25,932,524,521	2,117,475,479	28,050,000,000

Shelf Registration in Taiwan: None.

4.1.3 Major Shareholders

Common Shares

As of 12/17/2025 (Note)

Shareholders	Shareholding	Shareholding Percentage
ADR-Taiwan Semiconductor Manufacturing Company Ltd.	5,313,592,968	20.49%
National Development Fund, Executive Yuan	1,653,709,980	6.38%
Government of Singapore	538,629,101	2.08%
Norges Bank	470,454,846	1.81%
Yuanta/P-shares Taiwan Top 50 ETF	416,782,820	1.61%
Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds	355,197,748	1.37%
Vanguard Emerging Markets Stock Index Fund, a series of Vanguard International Equity Index Funds	328,625,605	1.27%
New Labor Pension Fund	309,948,796	1.20%
iShares Core MSCI Emerging Markets ETF	250,902,123	0.97%
EUPAC Fund	184,520,799	0.71%

Note: Record date for the second quarter of 2025 cash dividend distribution.

4.1.4 Net Change in Shareholding by Directors, Management and Shareholders with 10% Shareholdings or More

Common Shares

Unit: Shares

Title Name	2025		01/01/2026 - 02/28/2026	
	Net Change in Shares Held	Net Change in Shares Pledged	Net Change in Shares Held	Net Change in Shares Pledged
Chairman & Chief Executive Officer C.C. Wei	824,175	-	-	-
Director F.C. Tseng	-	-	-	-
Director National Development Fund, Executive Yuan Representative: Chun-Hsien Yeh (Note 1)	-	-	-	-
Independent Director Sir Peter L. Bonfield	-	-	-	-
Independent Director Michael R. Splinter	-	-	-	-
Independent Director Moshe N. Gavriellov	-	-	-	-
Independent Director L. Rafael Reif	-	-	-	-
Independent Director Ursula M. Burns	-	-	-	-
Independent Director Lynn L. Elsenhans	-	-	-	-
Independent Director Chuan Lin	-	-	-	-
Executive Vice Presidents and Co-Chief Operating Officer Y.P. Chyn	174,562	-	-	-
Executive Vice Presidents and Co-Chief Operating Officer Y.J. Mii	173,375	-	-	-
Senior Vice President and Deputy Co-Chief Operating Officer/ Chief Information Security Officer Cliff Hou	153,639	-	-	-
Senior Vice President and Deputy Co-Chief Operating Officer Kevin Zhang	149,387	-	-	-
Senior Vice President Lora Ho	164,850	-	-	-
Senior Vice President Wei-Jen Lo (Note 2)	2,850	-	-	-
Executive Consultant Rick Cassidy (Note 3)	-	-	-	-
Senior Vice President/Former Chief Information Security Officer J.K. Lin (Note 2)	112,100	-	-	-
Senior Vice President and General Counsel/Corporate Governance Officer Sylvia Fang	109,725	50,000	-	-
Senior Vice President, Chief Financial Officer/Spokesperson Wendell Huang	110,456	-	-	-
Senior Vice President Y.L. Wang	95,475	-	-	-
Senior Vice President and TSMC Senior Fellow T.S. Chang	95,475	-	-	-
Senior Vice President Michael Wu	95,950	-	-	-
Senior Vice President Geoffrey Yeap	96,162	-	-	-
Vice President and TSMC Distinguished Fellow Douglas Yu (Note 2)	71,962	-	-	-
Vice President Min Cao	95,950	-	-	-
Vice President/CEO, JASM Y.H. Liaw	61,512	-	-	-

(Continued)

Title Name	2025		01/01/2026 - 02/28/2026	
	Net Change in Shares Held	Net Change in Shares Pledged	Net Change in Shares Held	Net Change in Shares Pledged
Vice President Simon Jang	61,037	-	-	-
Vice President C.S. Yoo	61,987	-	-	-
Vice President Jun He	60,799	-	-	-
Vice President and Chief Information Officer Chris Horng-Dar Lin	61,037	-	-	-
Vice President Jonathan Lee	77,154	-	225	-
Vice President Arthur Chuang	61,037	-	-	-
Vice President and TSMC Senior Fellow L.C. Lu	64,749	-	-	-
Vice President K.C. Hsu	61,987	-	-	-
Vice President/CEO, TSMC Arizona Ray Chuang	44,557	-	-	-
Vice President Vanessa Lee (Note 2)	-	-	-	-
Vice President P.H. Chen (Note 4)	-	-	-	-
Vice President Y.K. Hwang (Note 5)	-	-	-	-
Vice President B.Z. Tien (Note 5)	-	-	2,000	-
Vice President S.S. Lin (Note 5)	-	-	-	-
Vice President Lipen Yuan (Note 5)	-	-	-	-

Note 1: Dr. Chun-Hsien Yeh was appointed as the representative of the National Development Fund succeeding Mr. Chin-Ching Liu on September 1, 2025.

Note 2: Senior Vice President Mr. J.K. Lin retired, effective April 10, 2025. Vice President Dr. Douglas Yu retired, effective July 8, 2025. Vice President Ms. Vanessa Lee resigned, effective July 13, 2025. Senior Vice President Dr. Wei-Jen Lo retired, effective July 27, 2025. Their shareholdings were no longer required to be disclosed from that date.

Note 3: Senior Vice President Mr. Rick Cassidy changed his job responsibility to Executive Consultant, effective July 1, 2025. His shareholding was no longer required to be disclosed from that date, and he subsequently retired, effective January 31, 2026.

Note 4: Mr. P.H. Chen was promoted to Vice President, effective February 12, 2025. His shareholding was disclosed starting from that date.

Note 5: Mr. Y.K. Hwang, Mr. B.Z. Tien, Dr. S.S. Lin, and Dr. Lipen Yuan were promoted to Vice President, effective February 10, 2026. Their shareholdings were disclosed starting from that date.

4.1.5 Stock Trade with Related Party: None.

4.1.6 Stock Pledge with Related Party: None.

4.1.7 Related Party Relationship among TSMC's 10 Largest Shareholders

Common Shares

As of 12/17/2025 (Note)

Name	Shares Held		Shares Held by Spouse & Minors		Shares Held in the Name of Others		Name and Relationship between TSMC's Shareholders	
	Shares	%	Shares	%	Shares	%	Name	Relationship
ADR-Taiwan Semiconductor Manufacturing Company Ltd.	5,313,592,968	20.49%	N/A	N/A	N/A	N/A	None	None
National Development Fund, Executive Yuan Representative: Chun-Hsien Yeh	1,653,709,980	6.38%	N/A	N/A	N/A	N/A	None	None
	-	-	-	-	-	-	None	None
Government of Singapore	538,629,101	2.08%	N/A	N/A	N/A	N/A	None	None
Norges Bank	470,454,846	1.81%	N/A	N/A	N/A	N/A	None	None
Yuanta/P-shares Taiwan Top 50 ETF	416,782,820	1.61%	N/A	N/A	N/A	N/A	None	None
Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds	355,197,748	1.37%	N/A	N/A	N/A	N/A	None	None

(Continued)

Name	Shares Held		Shares Held by Spouse & Minors		Shares Held in the Name of Others		Name and Relationship between TSMC's Shareholders	
	Shares	%	Shares	%	Shares	%	Name	Relationship
Vanguard Emerging Markets Stock Index Fund, a series of Vanguard International Equity Index Funds	328,625,605	1.27%	N/A	N/A	N/A	N/A	None	None
New Labor Pension Fund	309,948,796	1.20%	N/A	N/A	N/A	N/A	None	None
iShares Core MSCI Emerging Markets ETF	250,902,123	0.97%	N/A	N/A	N/A	N/A	None	None
EUPAC Fund	184,520,799	0.71%	N/A	N/A	N/A	N/A	None	None

Note: Record date for the second quarter of 2025 cash dividend distribution.

4.1.8 Long-Term Investment Ownership

As of 12/31/2025

Long-term Investment	Ownership by TSMC (1)		Ownership by Directors, Managers and Directly/Indirectly Owned Subsidiaries (2)		Total Ownership (1) + (2)	
	Shares	%	Shares	%	Shares	%
Equity Method:						
TSMC Partners, Ltd.	988,268,244	100%	-	-	988,268,244	100%
TSMC Global Ltd.	36,984	100%	-	-	36,984	100%
TSMC North America	11,000,000	100%	-	-	11,000,000	100%
TSMC Europe B.V.	200	100%	-	-	200	100%
TSMC Japan Limited	6,000	100%	-	-	6,000	100%
TSMC Korea Limited	80,000	100%	-	-	80,000	100%
TSMC Design Technology Japan, Inc.	15,000	100%	-	-	15,000	100%
TSMC Japan 3DIC R&D Center, Inc.	49,000	100%	-	-	49,000	100%
TSMC China Company Limited	Not Applicable (Note 1)	100%	Not Applicable (Note 1)	-	Not Applicable (Note 1)	100%
TSMC Nanjing Company Limited	Not Applicable (Note 1)	100%	Not Applicable (Note 1)	-	Not Applicable (Note 1)	100%
TSMC Arizona Corporation	21,250,000 (Note 2)	100%	-	-	21,250,000 (Note 2)	100%
Japan Advanced Semiconductor Manufacturing, Inc.	3,010,894	72.65%	-	-	3,010,894	72.65%
European Semiconductor Manufacturing Company (ESMC) GmbH	805,000	70.00%	-	-	805,000	70.00%
VisEra Technologies Company Ltd.	213,619,000	67.25% (Note 3)	-	-	213,619,000	67.25%
Systems on Silicon Manufacturing Co. Pte. Ltd.	313,603	38.79%	-	-	313,603	38.79%
Vanguard International Semiconductor Corp.	506,709,324	27.55% (Note 4)	300,744,837	16.36% (Note 5)	807,454,161	43.91%
Xintec Inc.	111,281,925	41.01%	-	-	111,281,925	41.01%
Global UniChip Corporation	46,687,859	34.84%	-	-	46,687,859	34.84%
Emerging Fund L.P.	Not Applicable (Note 1)	99.90%	Not Applicable (Note 1)	-	Not Applicable (Note 1)	99.90%

Note 1: Not applicable. These firms do not issue shares. TSMC's investments are measured as a percentage of ownership.

Note 2: TSMC Arizona Corporation completed capital injections in January 2026 and February 2026. After the capital injections, TSMC holds 24,000,000 shares and 100% equity interests in TSMC Arizona Corporation.

Note 3: TSMC's ownership of VisEra Technologies Company Ltd. is calculated based on its common shares outstanding, excluding unvested RSA shares.

Note 4: TSMC's ownership of Vanguard International Semiconductor Corp. is calculated based on its common shares outstanding, excluding unvested RSA shares.

Note 5: TSMC's director, National Development Fund of Executive Yuan, held 16.25%, while TSMC's other directors and management held 0.11%.

4.1.9 Dividend Policy and Distribution of Earnings

Except as otherwise specified in the Articles of Incorporation or under the R.O.C. law, TSMC will not pay dividends or make other distributions to shareholders when there are no earnings. The Company's profits may be distributed by way of cash dividend, stock dividend, or a combination of cash and stock. Pursuant to the Company's Articles of Incorporation, distributions of profits shall be made preferably by way of cash dividend. In addition, the ratio for stock dividends shall not exceed 50% of the total distribution. Distribution of stock dividends is subject to approval by the R.O.C. Financial Supervisory Commission.

Pursuant to TSMC's Articles of Incorporation, the Company's Board of Directors is authorized to approve quarterly cash dividends after the close of each quarter. After the Company's Board of Directors approves quarterly cash dividends, TSMC will distribute the dividend within six months. The respective amounts and payment dates of 2025 quarterly cash dividends are demonstrated in the table below. TSMC intends to maintain a sustainable and steadily increasing cash dividend on both an annual and quarterly basis.

2025 Quarterly Earnings Distribution

Unit: NT\$

Period	Approval Date	Payment Date	Cash Dividend Per Share	Total Earnings Distribution Amount
First quarter of 2025	05/13/2025	10/09/2025	NT\$5.00001754 (Note 1)	129,663,077,605
Second quarter of 2025	08/12/2025	01/08/2026	NT\$5.00001118 (Note 1)	129,662,912,605
Third quarter of 2025	11/11/2025	04/09/2026	NT\$6.00003573 (Note 1)	155,595,147,126
Fourth quarter of 2025	02/10/2026	07/09/2026	NT\$6.0 (Note 2)	155,595,147,126

Note 1: The cash dividend per share was adjusted, as authorized by the Board of Directors, based on the actual number of common shares outstanding as of the record date for such dividend payment.
Note 2: The actual cash dividend per share shall be subject to adjustment based on the actual number of common shares outstanding as of the record date for such dividend payment.

4.1.10 Compensation to Directors and Profit Sharing to Employees

Based on TSMC's Articles of Incorporation, before paying dividends or bonuses to shareholders, TSMC shall set aside not more than 0.3% of its annual profit to directors as compensation and not less than 1% to employees as profit sharing (among which not less than 30% as profit sharing bonuses to entry-level employees).

As resolved by TSMC's Board of Directors on February 10, 2026, a profit sharing to employees was expensed based on a certain percentage of 2025 profit; compensation to directors was expensed based on the estimated amount of payment. If the actual amounts subsequently paid differ from the above estimated amounts, the differences will be recorded in the year paid as a change in accounting estimate.

2025 Directors' Compensation and Employees' Profit Sharing

The 2025 directors' compensation is NT\$156,305 thousand. The directors' compensation is to be distributed in cash.

The 2025 employees' profit sharing of NT\$103,072,958 thousand was approved by the Board of Directors in its meeting for the first quarter of 2026. The employees' profit sharing is to be distributed in cash.

Note: NT\$103,072,958 thousand business performance bonus was already distributed following each quarter of 2025. The aforementioned employees' profit sharing will be distributed in July, 2026.

2024 Directors' Compensation and Employees' Profit Sharing

The 2024 directors' compensation was NT\$358,989 thousand, and the employees' profit sharing was NT\$70,296,283 thousand, both distributed in cash. The aforementioned directors' compensation and employees' profit sharing were expensed under the Company's 2024 statement of comprehensive income, with no difference in the actual disbursed amounts.

4.1.11 Impact to 2025 Business Performance and EPS of Stock Dividend Distribution: Not applicable.

4.1.12 Buyback of Common Shares: None.

4.2 Issuance of Corporate Bonds

4.2.1 Corporate Bonds

NTD Corporate Bonds

As of 02/28/2026

Issuance	Domestic Unsecured Bond (109-1)	Domestic Unsecured Bond (109-2)	Domestic Unsecured Bond (109-3)	Domestic Unsecured Bond (109-4)	Domestic Unsecured Bond (109-5)	Domestic Unsecured Bond (109-6, Green Bond)
Issue Date	03/23/2020	04/15/2020	05/29/2020	07/14/2020	09/03/2020	12/02/2020
Denomination	NT\$10,000,000					
Offering Price	Par					
Total Amount	NT\$24,000,000,000	NT\$21,600,000,000	NT\$14,400,000,000	NT\$13,900,000,000	NT\$15,600,000,000	NT\$12,000,000,000
Coupon (Per Annum)	Tranche A: 0.58% Tranche B: 0.62% Tranche C: 0.64%	Tranche A: 0.52% Tranche B: 0.58% Tranche C: 0.60%	Tranche A: 0.55% Tranche B: 0.60% Tranche C: 0.64%	Tranche A: 0.58% Tranche B: 0.65% Tranche C: 0.67%	Tranche A: 0.50% Tranche B: 0.58% Tranche C: 0.60%	Tranche A: 0.40% Tranche B: 0.44% Tranche C: 0.48%
Tenure and Maturity Date	Tranche A: 5 years Maturity: 03/23/2025 Tranche B: 7 years Maturity: 03/23/2027 Tranche C: 10 years Maturity: 03/23/2030	Tranche A: 5 years Maturity: 04/15/2025 Tranche B: 7 years Maturity: 04/15/2027 Tranche C: 10 years Maturity: 04/15/2030	Tranche A: 5 years Maturity: 05/29/2025 Tranche B: 7 years Maturity: 05/29/2027 Tranche C: 10 years Maturity: 05/29/2030	Tranche A: 5 years Maturity: 07/14/2025 Tranche B: 7 years Maturity: 07/14/2027 Tranche C: 10 years Maturity: 07/14/2030	Tranche A: 5 years Maturity: 09/03/2025 Tranche B: 7 years Maturity: 09/03/2027 Tranche C: 10 years Maturity: 09/03/2030	Tranche A: 5 years Maturity: 12/02/2025 Tranche B: 7 years Maturity: 12/02/2027 Tranche C: 10 years Maturity: 12/02/2030
Repayment	Bullet			Two equal installments in last two years		
Outstanding	NT\$21,000,000,000	NT\$15,700,000,000	NT\$9,900,000,000	NT\$8,200,000,000	NT\$10,800,000,000	NT\$10,400,000,000
Credit Rating	Not Applicable					
Underwriter (Lead Underwriter)	Yuanta Securities Co., Ltd.	MasterLink Securities Co., Ltd.	Hua Nan Securities Co., Ltd.	Capital Securities Co., Ltd.	KGI Securities Co., Ltd.	Capital Securities Co., Ltd.
Trustee	Taipei Fubon Commercial Bank Co., Ltd.					
Guarantor	None					
Legal Counsel	True Honesty International Law Offices					
Auditor	Deloitte & Touche					
Redemption or Early Repayment Clause	None					
Covenants	None					
Other Rights of Bondholders	Conversion Right	None				
	Amount of Converted or Exchanged Common Shares, ADRs or Other Securities	Not Applicable				
Dilution Effect and Other Adverse Effects on Existing Shareholders	None					
Custodian	None					

(Continued)

Issuance	Domestic Unsecured Bond (109-7)	Domestic Unsecured Bond (110-1)	Domestic Unsecured Bond (110-2)	Domestic Unsecured Bond (110-3)	Domestic Unsecured Bond (110-4)	Domestic Unsecured Bond (110-6)	Domestic Unsecured Bond (110-7)	Domestic Unsecured Bond (111-1, Green Bond)	Domestic Unsecured Bond (111-2)	Domestic Unsecured Bond (111-3, Green Bond)	Domestic Unsecured Bond (111-4, Green Bond)	Domestic Unsecured Bond (111-5)	Domestic Unsecured Bond (111-6, Green Bond)
Issue Date	12/29/2020	03/30/2021	05/03/2021	06/25/2021	08/19/2021	10/05/2021	12/09/2021	01/12/2022	03/29/2022	05/20/2022	07/27/2022	08/25/2022	10/20/2022
Denomination	NT\$10,000,000												
Offering Price	Par												
Total Amount	NT\$18,500,000,000	NT\$21,100,000,000	NT\$19,200,000,000	NT\$19,700,000,000	NT\$21,600,000,000	NT\$16,300,000,000	NT\$16,700,000,000	NT\$5,400,000,000	NT\$14,200,000,000	NT\$6,100,000,000	NT\$13,900,000,000	NT\$15,600,000,000	NT\$10,200,000,000
Coupon (Per Annum)	Tranche A: 0.36% Tranche B: 0.41% Tranche C: 0.45%	Tranche A: 0.50% Tranche B: 0.55% Tranche C: 0.60%	Tranche A: 0.50% Tranche B: 0.58% Tranche C: 0.65%	Tranche A: 0.52% Tranche B: 0.58% Tranche C: 0.65%	Tranche A: 0.485% Tranche B: 0.50% Tranche C: 0.55% Tranche D: 0.62%	Tranche A: 0.535% Tranche B: 0.54% Tranche C: 0.60% Tranche D: 0.62%	Tranche A: 0.65% Tranche B: 0.675% Tranche C: 0.72%	Tranche A: 0.63% Tranche B: 0.72%	Tranche A: 0.84% Tranche B: 0.85% Tranche C: 0.90%	1.50%	Tranche A: 1.60% Tranche B: 1.70% Tranche C: 1.75% Tranche D: 1.95%	Tranche A: 1.65% Tranche B: 1.65% Tranche C: 1.65% Tranche D: 1.82%	Tranche A: 1.75% Tranche B: 1.80% Tranche C: 2.00%
Tenure and Maturity Date	Tranche A: 5 years Maturity: 12/29/2025 Tranche B: 7 years Maturity: 12/29/2027 Tranche C: 10 years Maturity: 12/29/2030	Tranche A: 5 years Maturity: 03/30/2026 Tranche B: 7 years Maturity: 03/30/2028 Tranche C: 10 years Maturity: 03/30/2031	Tranche A: 5 years Maturity: 05/03/2026 Tranche B: 7 years Maturity: 05/03/2028 Tranche C: 10 years Maturity: 05/03/2031	Tranche A: 5 years Maturity: 06/25/2026 Tranche B: 7 years Maturity: 06/25/2028 Tranche C: 10 years Maturity: 06/25/2031	Tranche A: 4 years Maturity: 08/19/2025 Tranche B: 5 years Maturity: 08/19/2026 Tranche C: 7 years Maturity: 08/19/2028 Tranche D: 10 years Maturity: 08/19/2031	Tranche A: 4.5 years Maturity: 04/05/2026 Tranche B: 5 years Maturity: 10/05/2026 Tranche C: 7 years Maturity: 10/05/2028 Tranche D: 10 years Maturity: 10/05/2031	Tranche A: 5 years Maturity: 12/09/2026 Tranche B: 5.5 years Maturity: 06/09/2027 Tranche C: 7 years Maturity: 12/09/2028	Tranche A: 5 years Maturity: 01/12/2027 Tranche B: 7 years Maturity: 01/12/2029	Tranche A: 4.5 years Maturity: 09/29/2026 Tranche B: 5 years Maturity: 03/29/2027 Tranche C: 7 years Maturity: 03/29/2029	5 years Maturity: 05/20/2027	Tranche A: 4 years Maturity: 07/27/2026 Tranche B: 5 years Maturity: 07/27/2027 Tranche C: 7 years Maturity: 07/27/2029 Tranche D: 10 years Maturity: 07/27/2032	Tranche A: 4 years 10 months Maturity: 06/25/2027 Tranche B: 5 years Maturity: 08/25/2027 Tranche C: 7 years Maturity: 08/25/2029 Tranche D: 10 years Maturity: 08/25/2032	Tranche A: 5 years Maturity: 10/20/2027 Tranche B: 7 years Maturity: 10/20/2029 Tranche C: 10 years Maturity: 10/20/2032
Repayment	Two equal installments in last two years	Bullet											
Outstanding	NT\$16,600,000,000	NT\$21,100,000,000	NT\$19,200,000,000	NT\$19,700,000,000	NT\$17,600,000,000	NT\$16,300,000,000	NT\$16,700,000,000	NT\$5,400,000,000	NT\$14,200,000,000	NT\$6,100,000,000	NT\$13,900,000,000	NT\$15,600,000,000	NT\$10,200,000,000
Credit Rating	Not Applicable												
Underwriter (Lead Underwriter)	KGI Securities Co., Ltd.	Capital Securities Co., Ltd.	SinoPac Securities Co., Ltd.	Yuanta Securities Co., Ltd.	KGI Securities Co., Ltd.	Capital Securities Co., Ltd.	Capital Securities Co., Ltd.	Yuanta Securities Co., Ltd.	Capital Securities Co., Ltd.	Capital Securities Co., Ltd.	SinoPac Securities Co., Ltd.	Capital Securities Co., Ltd.	Yuanta Securities Co., Ltd.
Trustee	Taipei Fubon Commercial Bank Co., Ltd.												
Guarantor	None												
Legal Counsel	True Honesty International Law Offices												
Auditor	Deloitte & Touche												
Redemption or Early Repayment Clause	None												
Covenants	None												
Other Rights of Bondholders	Conversion Right	None											
	Amount of Converted or Exchanged Common Shares, ADRs or Other Securities	Not Applicable											
Dilution Effect and Other Adverse Effects on Existing Shareholders	None												
Custodian	None												

(Continued)

Issuance	Domestic Unsecured Bond (112-1, Green Bond)	Domestic Unsecured Bond (112-2, Green Bond)	Domestic Unsecured Bond (112-3)	Domestic Unsecured Bond (112-4)	Domestic Unsecured Bond (112-5)	Domestic Unsecured Bond (113-1, Green Bond)	Domestic Unsecured Bond (113-2, Green Bond)	Domestic Unsecured Bond (114-1, Green Bond)	Domestic Unsecured Bond (114-2, Green Bond)	Domestic Unsecured Bond (114-3, Green Bond)	Domestic Unsecured Bond (114-4, 10-year tranche is Green Bond)	Domestic Unsecured Bond (114-5, Green Bond)
Issue Date	03/28/2023	05/03/2023	06/01/2023	08/16/2023	10/16/2023	03/15/2024	05/17/2024	03/28/2025	06/02/2025	07/09/2025	09/18/2025	11/20/2025
Denomination	NT\$10,000,000											
Offering Price	Par											
Total Amount	NT\$19,300,000,000	NT\$20,700,000,000	NT\$20,000,000,000	NT\$15,900,000,000	NT\$9,800,000,000	NT\$22,800,000,000	NT\$11,500,000,000	NT\$19,200,000,000	NT\$14,100,000,000	NT\$12,300,000,000	NT\$17,800,000,000	NT\$23,500,000,000
Coupon (Per Annum)	Tranche A: 1.54% Tranche B: 1.60% Tranche C: 1.78%	Tranche A: 1.60% Tranche B: 1.65% Tranche C: 1.82%	Tranche A: 1.60% Tranche B: 1.65% Tranche C: 1.80%	Tranche A: 1.60% Tranche B: 1.65% Tranche C: 1.76%	Tranche A: 1.62% Tranche B: 1.76%	Tranche A: 1.64% Tranche B: 1.76%	Tranche A: 1.98% Tranche B: 2.10%	Tranche A: 1.90% Tranche B: 2.05%	Tranche A: 1.92% Tranche B: 2.05%	Tranche A: 1.92% Tranche B: 2.05%	Tranche A: 1.66% Tranche B: 1.73%	Tranche A: 1.50% Tranche B: 1.53% Tranche C: 1.58%
Tenure and Maturity Date	Tranche A: 5 years Maturity: 03/28/2028 Tranche B: 7 years Maturity: 03/28/2030 Tranche C: 10 years Maturity: 03/28/2033	Tranche A: 5 years Maturity: 05/03/2028 Tranche B: 7 years Maturity: 05/03/2030 Tranche C: 10 years Maturity: 05/03/2033	Tranche A: 5 years Maturity: 06/01/2028 Tranche B: 7 years Maturity: 06/01/2030 Tranche C: 10 years Maturity: 06/01/2033	Tranche A: 5 years Maturity: 08/16/2028 Tranche B: 7 years Maturity: 08/16/2030 Tranche C: 10 years Maturity: 08/16/2033	Tranche A: 5 years Maturity: 10/16/2028 Tranche B: 10 years Maturity: 10/16/2033	Tranche A: 5 years Maturity: 03/15/2029 Tranche B: 10 years Maturity: 03/15/2034	Tranche A: 5 years Maturity: 05/17/2029 Tranche B: 10 years Maturity: 05/17/2034	Tranche A: 5 years Maturity: 03/28/2030 Tranche B: 10 years Maturity: 03/28/2035	Tranche A: 5 years Maturity: 06/02/2030 Tranche B: 10 years Maturity: 06/02/2035	Tranche A: 5 years Maturity: 07/09/2030 Tranche B: 10 years Maturity: 07/09/2035	Tranche A: 5 years Maturity: 09/18/2030 Tranche B: 10 years Maturity: 09/18/2035	Tranche A: 5 years Maturity: 11/20/2030 Tranche B: 7 years Maturity: 11/20/2032 Tranche C: 10 years Maturity: 11/20/2035
Repayment	Bullet											
Outstanding	NT\$19,300,000,000	NT\$20,700,000,000	NT\$20,000,000,000	NT\$15,900,000,000	NT\$9,800,000,000	NT\$22,800,000,000	NT\$11,500,000,000	NT\$19,200,000,000	NT\$14,100,000,000	NT\$12,300,000,000	NT\$17,800,000,000	NT\$23,500,000,000
Credit Rating	Not Applicable											
Underwriter (Lead Underwriter)	Yuanta Securities Co., Ltd.	Fubon Securities Co., Ltd.	Cathay United Bank Co., Ltd.	SinoPac Securities Corporation	SinoPac Securities Corporation	Yuanta Securities Co., Ltd.	KGI Securities Co., Ltd.	Yuanta Securities Co., Ltd.	Hua Nan Securities Co., Ltd.	Hua Nan Securities Co., Ltd.	President Securities Corporation	Yuanta Securities Co., Ltd.
Trustee	Taipei Fubon Commercial Bank Co., Ltd.											
Guarantor	None											
Legal Counsel	True Honesty International Law Offices											
Auditor	Deloitte & Touche											
Redemption or Early Repayment Clause	None											
Covenants	None											
Other Rights of Bondholders	Conversion Right	None										
	Amount of Converted or Exchanged Common Shares, ADRs or Other Securities	Not Applicable										
Dilution Effect and Other Adverse Effects on Existing Shareholders	None											
Custodian	None											

Onshore USD Corporate Bonds

As of 02/28/2026

Issuance	US-dollar Domestic Unsecured Bond (109-1)	US-dollar Domestic Unsecured Bond (110-5)
Issue Date	09/22/2020	09/23/2021
Denomination	US\$1,000,000	
Listing	Taipei Exchange	
Offering Price	Par	
Total Amount	US\$1,000,000,000	US\$1,000,000,000
Coupon (Per Annum)	2.70%	3.10%
Tenure and Maturity Date	40 years Maturity: 09/22/2060	30 years Maturity: 09/23/2051
Repayment	Bullet	
Outstanding	US\$1,000,000,000	US\$1,000,000,000
Credit Rating	Not Applicable	
Underwriter	Goldman Sachs (Asia) L.L.C., Taipei Branch KGI Securities Co., Ltd. (lead underwriter)	
Trustee	Mega International Commercial Bank Co., Ltd.	
Guarantor	None	
Legal Counsel	True Honesty International Law Offices	
Auditor	Deloitte & Touche	
Redemption or Early Repayment Clause	Callable on the 5 th anniversary of the issue date and every anniversary thereafter	
Covenants	None	
Other Rights of Bondholders	Conversion Right	None
	Amount of Converted or Exchanged Common Shares, ADRs or Other Securities	Not Applicable
Dilution Effect and Other Adverse Effects on Existing Shareholders	None	
Custodian	None	

Offshore USD Corporate Bonds

As of 02/28/2026

Issuer	TSMC Global Ltd. (Note 1)	TSMC Global Ltd. (Note 1)	TSMC Arizona Corporation (Note 1)	TSMC Arizona Corporation (Note 1)	TSMC Global Ltd. (Note 1)
Issuance	Senior Unsecured Notes (Note 2)	Senior Unsecured Notes (Note 2)	Senior Unsecured Notes (Note 2)	Senior Unsecured Notes (Note 2)	Senior Unsecured Notes (Note 2)
Issue Date	09/28/2020	04/23/2021	10/25/2021	04/22/2022	07/22/2022
Denomination	US\$200,000 and integral multiples of US\$1,000 in excess thereof				
Listing	Singapore Exchange				
Offering Price	2025 Notes: 99.907% 2027 Notes: 99.603% 2030 Notes: 99.083%	2026 Notes: 99.759% 2028 Notes: 99.751% 2031 Notes: 99.831%	2026 Notes: 99.976% 2031 Notes: 99.561% 2041 Notes: 98.898% 2051 Notes: 98.658%	2027 Notes: 99.829% 2029 Notes: 99.843% 2032 Notes: 99.742% 2052 Notes: 99.771%	2027 Notes: 99.951% 2032 Notes: 99.124%
Total Amount	US\$3,000,000,000	US\$3,500,000,000	US\$4,500,000,000	US\$3,500,000,000	US\$1,000,000,000
Coupon (Per Annum)	2025 Notes: 0.75% 2027 Notes: 1.00% 2030 Notes: 1.375%	2026 Notes: 1.25% 2028 Notes: 1.75% 2031 Notes: 2.25%	2026 Notes: 1.75% 2031 Notes: 2.50% 2041 Notes: 3.125% 2051 Notes: 3.25%	2027 Notes: 3.875% 2029 Notes: 4.125% 2032 Notes: 4.250% 2052 Notes: 4.500%	2027 Notes: 4.375% 2032 Notes: 4.625%
Tenure and Maturity Date	2025 Notes: 5 years Maturity: 09/28/2025 2027 Notes: 7 years Maturity: 09/28/2027 2030 Notes: 10 years Maturity: 09/28/2030	2026 Notes: 5 years Maturity: 04/23/2026 2028 Notes: 7 years Maturity: 04/23/2028 2031 Notes: 10 years Maturity: 04/23/2031	2026 Notes: 5 years Maturity: 10/25/2026 2031 Notes: 10 years Maturity: 10/25/2031 2041 Notes: 20 years Maturity: 10/25/2041 2051 Notes: 30 years Maturity: 10/25/2051	2027 Notes: 5 years Maturity: 04/22/2027 2029 Notes: 7 years Maturity: 04/22/2029 2032 Notes: 10 years Maturity: 04/22/2032 2052 Notes: 30 years Maturity: 04/22/2052	2027 Notes: 5 years Maturity: 07/22/2027 2032 Notes: 10 years Maturity: 07/22/2032
Repayment	Bullet				
Outstanding	US\$2,000,000,000	US\$3,500,000,000	US\$4,500,000,000	US\$3,500,000,000	US\$1,000,000,000
Credit Rating	Aa3 (Moody's Investors Service, 09/21/2020) AA- (S&P Global Ratings, 09/21/2020)	Aa3 (Moody's Investors Service, 04/19/2021) AA- (S&P Global Ratings, 04/18/2021)	Aa3 (Moody's Investors Service, 10/19/2021) AA- (S&P Global Ratings, 10/18/2021)	Aa3 (Moody's Investors Service, 04/19/2022) AA- (S&P Global Ratings, 04/18/2022)	Aa3 (Moody's Investors Service, 07/19/2022) AA- (S&P Global Ratings, 07/18/2022)
Underwriter	Goldman Sachs International as lead underwriter		Goldman Sachs & Co. LLC as lead underwriter		Goldman Sachs International as lead underwriter
Trustee	Citicorp International Limited		Citibank, N.A.		Citicorp International Limited
Guarantor	TSMC				
Legal Counsel	Sullivan & Cromwell (Hong Kong) LLP Harney Westwood & Riegels Lee and Li, Attorneys-at-Law		Sullivan & Cromwell (Hong Kong) LLP Fennemore Craig, P.C. Lee and Li, Attorneys-at-Law		Sullivan & Cromwell (Hong Kong) LLP Harney Westwood & Riegels Lee and Li, Attorneys-at-Law
Auditor	Deloitte & Touche				
Redemption or Early Repayment Clause	Issuer may, at its option, redeem the Notes, at any time, in whole or in part at the relevant redemption price according to relevant agreements				
Covenants	None				
Other Rights of Bondholders	Conversion Right	None			
	Amount of Converted or Exchanged Common Shares, ADRs or Other Securities	Not Applicable			
Dilution Effect and Other Adverse Effects on Existing Shareholders	None				
Custodian	None				

Note 1: A wholly-owned subsidiary of TSMC.

Note 2: Unconditionally and irrevocably guaranteed by TSMC.

4.2.2 Convertible Bond: None.

4.2.3 Exchangeable Bond: None.

4.2.4 Shelf Registration in Taiwan: None.

4.2.5 Bond with Warrants: None.

4.3 Preferred Shares

4.3.1 Preferred Shares: None.

4.3.2 Preferred Shares with Warrants: None.

4.4 Issuance of American Depositary Shares

Issue Date	10/08/1997	11/20/1998	01/12/1999 - 01/14/1999	07/15/1999	08/23/1999 - 09/09/1999	02/22/2000 - 03/08/2000	04/17/2000	06/07/2000 - 06/15/2000	05/17/2001 - 06/11/2001	11/27/2001	02/07/2002 - 02/08/2002	11/21/2002 - 12/19/2002	07/14/2003 - 07/21/2003	11/14/2003	08/10/2005 - 09/08/2005	05/23/2007
Total Amount (US\$ million)	595	185	36	296	159	379	225	1,168	539	321	1,002	160	909	1,077	1,402	2,563
Offering Price Per ADS (US\$)	24.78	15.26	17.75	24.516	28.964	57.79	56.16	35.75	20.63	16.03	16.75	8.73	10.40	10.77	8.60	10.68
Units Issued	24,000,000	12,094,000	2,000,000	12,094,000	5,486,000	6,560,000	4,000,000	32,667,800	26,110,000	20,000,000	59,800,000	18,348,000	87,357,200	100,000,000	163,027,500	240,000,000
Common Shares Represented	Each unit of ADS represents five TSMC Common Shares.															
Underlying Securities	TSMC Common Shares from Selling Shareholders							Cash Offering and TSMC Common Shares from Selling Shareholders								
Apportionment of Expenses for Issuance and Maintenance	(Note 3)							(Note 4)								
Issuance and Listing	NYSE															
Rights and Obligations of ADS Holders	Same as those of Common Share Holders															
Trustee	Not Applicable															
Depository Bank	Citibank, N.A. – New York															
Custodian Bank (Note 1)	Citibank, N.A. – Taipei Branch															
ADSs Outstanding (Note 2)	As of February 28, 2026, total number of outstanding ADSs was 1,062,690,167															
Terms and Conditions in the Deposit Agreement and Custody Agreement	See Deposit Agreement and Custody Agreement for Details															
Closing Price Per ADS (US\$; source: Bloomberg)	01/01/2025 - 12/31/2025	High	310.14													
		Low	141.37													
		Average	230.30													
	01/01/2026 - 02/28/2026	High	387.73													
		Low	318.01													
		Average	345.21													

Note 1: Citibank, N.A., Taipei Branch changed its name to "Citibank Taiwan Limited" in 2009.

Note 2: TSMC has in aggregate issued 813,544,500 ADSs since 1997, which, if taking into consideration stock dividends distributed over the period, would amount to 1,147,835,205 ADSs. Stock dividends distributed in 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008 and 2009 were 45%, 23%, 28%, 40%, 10%, 8%, 14.08668%, 4.99971%, 2.99903%, 0.49991%, 0.50417% and 0.49998%, respectively. As of February 28, 2026, total number of outstanding ADSs was 1,062,690,167 after 85,145,038 ADSs were redeemed.

Note 3: All fees and expenses related to issuance of ADSs were paid by the selling shareholders, while maintenance expenses were borne by TSMC.

Note 4: All fees and expenses related to issuance of ADSs were paid proportionately by TSMC and the selling shareholders, while maintenance expenses were borne by TSMC.

4.5 Status of Employee Stock Option Plan

4.5.1 Issuance of Employee Stock Options: None.

4.5.2 Employee Stock Options Granted to Management Team and to Top 10 Employees: None.

4.6 Status of Employee Restricted Stock

4.6.1 Status of Employee Restricted Stock

As of 03/01/2026 (Note)

Type of Employee Restricted Stock	Employee Restricted Stock Awards for Year 2021								
Effective Registration Date and Total Number of Shares	08/06/2021 /2,600,000 shares								
Issue Date	03/01/2022								
Number of Restricted Employee Shares Issued	1,387,000 shares								
Number of Restricted Employee Shares Still Available for Issuance	0 share								
Issued Price	None								
Ratio of the Number of Restricted Employee Shares Issued to the Total Number of Issued Shares	0.00535%								
Vesting Conditions of Restricted Employee Shares	<p>1. The RSAs granted to an executive can only be vested if (a) the executive remains employed by the Company on the last date of each vesting period; (b) during the vesting period, the executive may not breach any agreement with the Company or violate the Company's work rules; and (c) certain executive performance metrics (a year-end performance rating of at least "S" (Note) or above for the year immediately preceding the expiration of each vesting period) and the Company's business performance metrics are met. (Note: "S" stands for "Successful")</p> <p>2. 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 point.</p> <p>3. 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 Committee's evaluation of the Company's ESG achievements. The number of shares so calculated should be rounded down to the nearest integral.</p> <table border="1" data-bbox="500 995 1395 1141"> <thead> <tr> <th>The Company's TSR Relative to the TSR of S&P 500 IT Index</th> <th>Ratio of Shares to be Vested</th> </tr> </thead> <tbody> <tr> <td>Above the Index by X percentage points</td> <td>50% + X * 2.5%, with the maximum of 100%</td> </tr> <tr> <td>Equal to the Index</td> <td>50%</td> </tr> <tr> <td>Below the Index by X percentage points</td> <td>50% - X * 2.5%, with the minimum of 0%</td> </tr> </tbody> </table> <p>Note: TSR: Total Shareholder Return (including capital gains and dividends)</p>	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%
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%								
Restriction on Rights in the Restricted Employee Shares	<p>1. Upon the grant of the RSAs, the RSAs shall be deposited in a trust/custody account. Before the vesting conditions are fulfilled, the executives cannot request the trustee/custodian to return to them the RSAs for any reasons or by any means.</p> <p>2. During each vesting period, no executives granted RSAs may sell, pledge, transfer, give to another person, create any encumbrance on, or otherwise dispose of, any shares under the unvested RSAs.</p> <p>3. Subject to the restrictions mentioned above, the rights of the executives with regard to the unvested RSAs granted under these Rules before the fulfillment of the vesting conditions, including but not limited to the entitlement to any distribution regarding dividends, bonuses and capital reserve, and the subscription right of the new shares issued for any capital increase, are the same as those of holders of common shares of the Company. The relevant matters shall be handled in accordance with the RSA trust/custody agreement.</p> <p>4. Before the vesting conditions are fulfilled, the attendance, proposal rights, speech rights, voting rights and any other shareholder rights shall be exercised by the engaged trustee/custodian on the executives' behalf.</p> <p>5. During each vesting period, if the Company conducts a capital reduction for cash return, capital reduction for loss offset, or other non-statutory capital reduction, the unvested RSAs shall be cancelled proportionally by the ratio of such capital reduction. If the Company conducts a capital reduction for cash return, the returned cash shall be deposited in a trust/custody account and shall not be delivered to the executives until the vesting conditions are fulfilled; otherwise, the cash will be returned to the Company.</p>								

(Continued)

Custody of the Restricted Employee Shares	<p>1. Upon the grant of the RSAs, the RSAs shall be deposited in a trust/custody account. Before the vesting conditions are fulfilled, the executives cannot request the trustee/custodian to return to them the RSAs for any reasons or by any means.</p> <p>2. During the period when the granted RSAs are deposited in a trust/custody account, each executive must enter into an agreement authorizing the Company to, among others, negotiate, execute, modify, extend, rescind, and terminate the trust/custody agreement with the trustee/custodian, and give instructions to deliver, use, and dispose of any of the properties under the trust/custody, on their behalf, with full power and authority.</p>
Treatment of the Restricted Shares for Which the Grantee Fails to Meet the Vesting Conditions after Receiving or Subscribing to the Shares	<p>1. The Company will reclaim the granted RSAs and cancel the same at no extra cost to the Company, where an executive fails to meet the vesting conditions.</p> <p>2. Voluntary Separation, separation with a severance, or involuntary discharge: Any unvested RSAs will be forfeited on the effective date of separation due to a voluntary separation, separation with a severance, or involuntary discharge of such executives. The Company will reclaim the RSAs granted to them and cancel the same at no extra cost to the Company.</p> <p>3. Leave Without Pay: All the rights and obligations in connection with the unvested RSAs will not be affected as a result of executives taking extended leave without pay. However, the actual number of shares that may be vested will not only be calculated according to the vesting conditions but also be prorated based on the number of months of their service during the year prior to the applicable vesting day. If such executives are on leave without pay on any vesting day, it shall be deemed that they fail to meet the vesting conditions, and the Company will reclaim the RSAs granted to them and cancel the same at no extra cost to the Company.</p> <p>4. Retirement: All the rights and obligations in connection with the unvested RSAs will not be affected as a result of an employee's retirement. However, the actual number of shares that may be vested shall be calculated according to the vesting condition, and the performance rating granted to them shall be deemed "S".</p> <p>5. Employment Termination Due to Death or Physical Disability Caused by Occupational Accidents: The unvested RSAs shall be deemed immediately vested in the case of death or physical disability due to an occupational accident, where the RSAs vested shall be based on the assumption that the Company's TSR equals to the TSR of S&P 500 IT Index and there is no further adjustment for the Company's ESG achievements. In the case of death, the respective heir(s) may apply for entitlement to those inheritable shares after completing all necessary legal procedures and providing relevant supporting documents. In the case of physical disability caused by occupational injury, the vested RSAs will be received by such executives.</p> <p>6. Position Transfer: Where any executives apply for transferring to any of the Company's subsidiaries, affiliates, or other companies, the measures to be taken with respect to their unvested RSAs will be the same as those specified in "Voluntary Separation". Where any executives are assigned by the Company to a position in any of the Company's subsidiaries, affiliates, or other companies, all the rights and obligations in connection with the unvested RSAs will not be affected as a result. However, subject to the vesting conditions, such executives shall continue working in the assigned subsidiaries, affiliates, or other companies on the vesting dates. Otherwise, they will be considered to fail to meet the vesting conditions, and the Company will reclaim the RSAs granted to them and cancel the same at no extra cost to the Company. With respect to the evaluation of the achievement of individual performance goals, Chairman and Chief Executive Officer will determine whether the vesting conditions are met by reviewing the evaluation of the executives' performance provided by the assigned subsidiaries, affiliates, or other companies.</p> <p>7. Where any executives declare to voluntarily relinquish the granted RSAs with a written statement, the Company will reclaim the RSAs granted to them and cancel the same at no extra cost to the Company.</p> <p>8. Where any executives, after being granted the RSAs, breach any agreement with the Company employment agreement or violate the Company's work rules, the Company will reclaim the RSAs granted to them and cancel the same at no extra cost to the Company.</p> <p>9. Where any executives terminate or revoke their authorization given to the Company regarding the executive's RSA trust/custody account, the Company will reclaim their unvested RSAs and cancel the same at no extra cost to the Company.</p>
Number of Restricted Employee Shares That Have Been Retired or Bought Back	783,557 shares
Number of Restricted Employee Shares That Have Vested	603,443 shares
Number of Unvested Restricted Employee Shares	0 share
The Ratio of Number of Unvested Restricted Employee Share to the Total Number of Issued Shares (%)	0%
The Effect on Shareholders' Equity	The potential dilution of the Company's EPS is minimal; therefore, there is no material impact on shareholders' interest.

Note: The printed date of this Annual Report.

Type of Employee Restricted Stock	Employee Restricted Stock Awards for Year 2022																										
Effective Registration Date and Total Number of Shares	07/25/2022 /3,065,000 shares																										
Issue Date	03/01/2023																										
Number of Restricted Employee Shares Issued	2,110,000 shares																										
Number of Restricted Employee Shares Still Available for Issuance	0 share																										
Issued Price	None																										
Ratio of the Number of Restricted Employee Shares Issued to the Total Number of Issued Shares	0.00814%																										
Vesting Conditions of Restricted Employee Shares	<p>1. The RSAs granted to an employee can only be vested if (a) the employee remains employed by the Company or the Company's subsidiaries on the last date of each vesting period; (b) 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 (c) certain employee performance metrics (a year-end performance rating of at least "S" (Note) or above for the year immediately preceding the expiration of each vesting period) and the Company's business performance metrics are met. (Note: "S" stands for "Successful")</p> <p>2. 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.</p> <p>3. 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 Committee's evaluation of the Company's ESG achievements. The number of shares so calculated should be rounded down to the nearest integral.</p> <table border="1"> <thead> <tr> <th>The Company's TSR Relative to the TSR of S&P 500 IT Index</th> <th>Ratio of Shares to be Vested</th> </tr> </thead> <tbody> <tr> <td>Above the Index by X percentage points</td> <td>50% + X * 2.5%, with the maximum of 100%</td> </tr> <tr> <td>Equal to the Index</td> <td>50%</td> </tr> <tr> <td>Below the Index by X percentage points</td> <td>50% - X * 2.5%, with the minimum of 0%</td> </tr> </tbody> </table> <p>Note: TSR: Total Shareholder Return (including capital gains and dividends)</p> <p>4. 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.</p> <table border="1"> <thead> <tr> <th></th> <th>Threshold</th> <th>Target</th> <th>Weighting</th> <th>Ratio of Shares to be Vested</th> </tr> </thead> <tbody> <tr> <td>Revenue Growth</td> <td>10%</td> <td>15%</td> <td>One-third</td> <td rowspan="3"> <ul style="list-style-type: none"> • < Threshold: 0% • = Threshold: 50% • ≥ Target: 100% • Between Threshold and Target: as calculated by interpolation method </td> </tr> <tr> <td>Gross Margin</td> <td>15%</td> <td>53%</td> <td>One-third</td> </tr> <tr> <td>Return on Equity (ROE)</td> <td>20%</td> <td>25%</td> <td>One-third</td> </tr> </tbody> </table>	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%		Threshold	Target	Weighting	Ratio of Shares to be Vested	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	15%	53%	One-third	Return on Equity (ROE)	20%	25%	One-third
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%																										
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	Threshold	Target	Weighting	Ratio of Shares to be Vested																							
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	15%	53%	One-third																								
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Treatment of the Restricted Shares for Which the Grantee Fails to Meet the Vesting Conditions after Receiving or Subscribing to the Shares	<p>1. The Company will reclaim the granted RSAs and cancel the same at no extra cost to the Company, where an employee fails to meet the vesting conditions.</p> <p>2. Voluntary Separation, separation with a severance, or involuntary discharge: Any unvested RSAs will be forfeited on the effective date of separation due to a voluntary separation, separation with a severance, or involuntary discharge of such employees. The Company will reclaim the RSAs granted to them and cancel the same at no extra cost to the Company.</p> <p>3. Leave Without Pay: All the rights and obligations in connection with the unvested RSAs will not be affected as a result of employees taking extended leave without pay. 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Exemption could be made case by case by Chairman and CEO.</p> <ul style="list-style-type: none"> - Not to get any full-time job; and - Not to engage in competition with the Company or the Company's subsidiaries, including without limitation: to join a competitor, to provide any competitive services, to establish any company or business that would involve a competitive foundry process or service, or to employ, induce, or attempt to induce any TSMC employee to undertake competitive services. <p>All the rights and obligations in connection with the unvested RSAs will not be affected as a result of an employee's retirement. However, the actual number of shares that may be vested shall be calculated according to the vesting condition, and the performance rating granted to them shall be deemed "S".</p> <p>5. 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In the case of physical disability caused by occupational injury, the vested RSAs will be received by such employees.</p> <p>6. Position Transfer:</p> <ul style="list-style-type: none"> - Where any employees apply for transferring to any of the Company's subsidiaries, affiliates, or other companies, the measures to be taken with respect to their unvested RSAs will be the same as "Voluntary Separation". - Where any employees are assigned by the Company or the Company's subsidiaries to a position in any of the Company's subsidiaries, affiliates, or other companies, all the rights and obligations in connection with the unvested RSAs will not be affected as a result. However, subject to the vesting condition, such employees shall continue working in the assigned subsidiaries, affiliates, or other companies on the vesting dates. 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Where any employees terminate or revoke their authorization given to the Company regarding the employees' RSA trust/custody account, the Company will reclaim their unvested RSAs and cancel the same at no extra cost to the Company.</p>
Number of Restricted Employee Shares That Have Been Retired or Bought Back	1,113,440 shares
Number of Restricted Employee Shares That Have Vested	996,560 shares
Number of Unvested Restricted Employee Shares	0 share
The Ratio of Number of Unvested Restricted Employee Share to the Total Number of Issued Shares (%)	0%
The Effect on Shareholders' Equity	The potential dilution of the Company's EPS is minimal; therefore, there is no material impact on shareholders' interest.

Type of Employee Restricted Stock	Employee Restricted Stock Awards for Year 2023																										
Effective Registration Date and Total Number of Shares	12/28/2023 /6,249,000 shares																										
Issue Date	03/01/2024																										
Number of Restricted Employee Shares Issued	2,960,000 shares																										
Number of Restricted Employee Shares Still Available for Issuance	0 share																										
Issued Price	None																										
Ratio of the Number of Restricted Employee Shares Issued to the Total Number of Issued Shares	0.01141%																										
Vesting Conditions of Restricted Employee Shares	<p>1. The RSAs granted to an employee can only be vested if (a) the employee remains employed by the Company or the Company's subsidiaries on the last date of each vesting period; (b) 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 (c) certain employee performance metrics (a year-end performance rating of at least "S" (Note) or above for the year immediately preceding the expiration of each vesting period) and the Company's business performance metrics are met. (Note: "S" stands for "Successful")</p> <p>2. 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.</p> <p>3. 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 Committee's evaluation of the Company's ESG achievements. The number of shares so calculated should be rounded down to the nearest integral.</p> <table border="1"> <thead> <tr> <th>The Company's TSR Relative to the TSR of S&P 500 IT Index</th> <th>Ratio of Shares to be Vested</th> </tr> </thead> <tbody> <tr> <td>Above the Index by X percentage points</td> <td>50% + X * 2.5%, with the maximum of 100%</td> </tr> <tr> <td>Equal to the Index</td> <td>50%</td> </tr> <tr> <td>Below the Index by X percentage points</td> <td>50% - X * 2.5%, with the minimum of 0%</td> </tr> </tbody> </table> <p>Note: TSR: Total Shareholder Return (including capital gains and dividends)</p> <p>4. 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.</p> <table border="1"> <thead> <tr> <th></th> <th>Threshold</th> <th>Target</th> <th>Weighting</th> <th>Ratio of Shares to be Vested</th> </tr> </thead> <tbody> <tr> <td>Revenue Growth</td> <td>10%</td> <td>15%</td> <td>One-third</td> <td rowspan="3"> <ul style="list-style-type: none"> • < Threshold: 0% • = Threshold: 50% • ≥ Target: 100% • Between Threshold and Target: as calculated by interpolation method </td> </tr> <tr> <td>Gross Margin</td> <td>15%</td> <td>53%</td> <td>One-third</td> </tr> <tr> <td>Return on Equity (ROE)</td> <td>20%</td> <td>25%</td> <td>One-third</td> </tr> </tbody> </table>	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%		Threshold	Target	Weighting	Ratio of Shares to be Vested	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	15%	53%	One-third	Return on Equity (ROE)	20%	25%	One-third
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Number of Restricted Employee Shares That Have Been Retired or Bought Back	155,394 shares
Number of Restricted Employee Shares That Have Vested	2,102,106 shares
Number of Unvested Restricted Employee Shares	702,500 shares
The Ratio of Number of Unvested Restricted Employee Share to the Total Number of Issued Shares (%)	0.00271%
The Effect on Shareholders' Equity	The potential dilution of the Company's EPS is minimal; therefore, there is no material impact on shareholders' interest.

Type of Employee Restricted Stock	Employee Restricted Stock Awards for Year 2024																										
Effective Registration Date and Total Number of Shares	07/31/2024 /4,185,000 shares																										
Issue Date	09/01/2024																										
Number of Restricted Employee Shares Issued	2,353,000 shares																										
Number of Restricted Employee Shares Still Available for Issuance	1,832,000 shares																										
Issued Price	None																										
Ratio of the Number of Restricted Employee Shares Issued to the Total Number of Issued Shares	0.00907%																										
Vesting Conditions of Restricted Employee Shares	<p>1. The RSAs granted to an employee can only be vested if (a) the employee remains employed by the Company or the Company's subsidiaries on the last date of each vesting period; (b) 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 (c) certain employee performance metrics (a year-end performance rating of at least "S" (Note) or above for the year immediately preceding the expiration of each vesting period) and the Company's business performance metrics are met. (Note: "S" stands for "Successful")</p> <p>2. 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.</p> <p>3. 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 Committee's evaluation of the Company's ESG achievements. The number of shares so calculated should be rounded down to the nearest integral.</p> <table border="1"> <thead> <tr> <th>The Company's TSR Relative to the TSR of S&P 500 IT Index</th> <th>Ratio of Shares to be Vested</th> </tr> </thead> <tbody> <tr> <td>Above the Index by X percentage points</td> <td>50% + X * 2.5%, with the maximum of 100%</td> </tr> <tr> <td>Equal to the Index</td> <td>50%</td> </tr> <tr> <td>Below the Index by X percentage points</td> <td>50% - X * 2.5%, with the minimum of 0%</td> </tr> </tbody> </table> <p>Note: TSR: Total Shareholder Return (including capital gains and dividends)</p> <p>4. 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.</p> <table border="1"> <thead> <tr> <th></th> <th>Threshold</th> <th>Target</th> <th>Weighting</th> <th>Ratio of Shares to be Vested</th> </tr> </thead> <tbody> <tr> <td>Revenue Growth</td> <td>10%</td> <td>15%</td> <td>One-third</td> <td rowspan="3"> <ul style="list-style-type: none"> • < Threshold: 0% • = Threshold: 50% • ≥ Target: 100% • Between Threshold and Target: as calculated by interpolation method </td> </tr> <tr> <td>Gross Margin</td> <td>15%</td> <td>53%</td> <td>One-third</td> </tr> <tr> <td>Return on Equity (ROE)</td> <td>20%</td> <td>25%</td> <td>One-third</td> </tr> </tbody> </table>	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%		Threshold	Target	Weighting	Ratio of Shares to be Vested	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	15%	53%	One-third	Return on Equity (ROE)	20%	25%	One-third
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Exemption could be made case by case by Chairman and CEO.</p> <ul style="list-style-type: none"> - Not to get any full-time job; and - Not to engage in competition with the Company or the Company's subsidiaries, including without limitation: to join a competitor, to provide any competitive services, to establish any company or business that would involve a competitive foundry process or service, or to employ, induce, or attempt to induce any TSMC employee to undertake competitive services. <p>All the rights and obligations in connection with the unvested RSAs will not be affected as a result of an employee's retirement. However, the actual number of shares that may be vested shall be calculated according to the vesting condition, and the performance rating granted to them shall be deemed "S".</p> <p>5. Employment Termination Due to Death or Physical Disability Caused by Occupational Accidents: The unvested RSAs shall be deemed immediately vested in the case of death or physical disability due to an occupational accident. For eligible executive officers of the Company, the RSAs vested shall be based on the assumption that the Company's TSR equals to the TSR of S&P 500 IT Index and there is no further adjustment for the Company's ESG achievements. For eligible employees who are not executive officers of the Company and the Company's subsidiaries, the RSAs vested shall be based on the assumption that the Company's Revenue growth, Gross Margin, and ROE are all equal to Threshold. In the case of death, the respective heir(s) may apply for entitlement to those inheritable shares after completing all necessary legal procedures and providing relevant supporting documents. In the case of physical disability caused by occupational injury, the vested RSAs will be received by such employees.</p> <p>6. Position Transfer:</p> <ul style="list-style-type: none"> - Where any employees apply for transferring to any of the Company's subsidiaries, affiliates, or other companies, the measures to be taken with respect to their unvested RSAs will be the same as "Voluntary Separation". - Where any employees are assigned by the Company or the Company's subsidiaries to a position in any of the Company's subsidiaries, affiliates, or other companies, all the rights and obligations in connection with the unvested RSAs will not be affected as a result. However, subject to the vesting condition, such employees shall continue working in the assigned subsidiaries, affiliates, or other companies on the vesting dates. Otherwise, they will be considered to fail to meet the vesting conditions, and the Company will reclaim the RSAs granted to them and cancel the same at no extra cost to the Company. With respect to the evaluation of the achievement of individual performance goals, Chairman and Chief Executive Officer will determine whether the vesting conditions are met by reviewing the evaluation of the employees' performance provided by the assigned subsidiaries, affiliates, or other companies. <p>7. Where any employees declare to voluntarily relinquish the granted RSAs with a written statement, the Company will reclaim the RSAs granted to them and cancel the same at no extra cost to the Company.</p> <p>8. Where any employees, after being granted the RSAs, breach any agreement with the Company employment agreement or violate the Company's work rules, the Company will reclaim the RSAs granted to them and cancel the same at no extra cost to the Company.</p> <p>9. Where any employees terminate or revoke their authorization given to the Company regarding the employees' RSA trust/custody account, the Company will reclaim their unvested RSAs and cancel the same at no extra cost to the Company.</p>
Number of Restricted Employee Shares That Have Been Retired or Bought Back	132,000 shares
Number of Restricted Employee Shares That Have Vested	1,102,000 shares
Number of Unvested Restricted Employee Shares	1,119,000 shares
The Ratio of Number of Unvested Restricted Employee Share to the Total Number of Issued Shares (%)	0.00432%
The Effect on Shareholders' Equity	The potential dilution of the Company's EPS is minimal; therefore, there is no material impact on shareholders' interest.

4.6.2 Employee Restricted Stock Granted to Management Team and to Top 10 Employees

Unit: Share

As of 03/01/2026

	Title	Name	No. of Employee Restricted Stock Granted	Employee Restricted Stock as a Percentage of Shared Issued (Note 1)	Restrictions Released			Restrictions Unreleased				
					No. of Shares	Issued Price (NT\$)	Issued Amount (NT\$ thousands)	Released Shares as a Percentage of Shares Issued (Note 1)	No. of Shares	Issued Price (NT\$)	Issued Amount (NT\$ thousands)	Unreleased Shares as a Percentage of Shares Issued (Note 1)
Management Team and Employee	Chairman & Chief Executive Officer	C.C. Wei	8,810,000	0.03397%	4,804,109	0	0	0.01853%	1,821,500	0	0	0.00702%
	Senior Vice President, Chief Financial Officer/Spokesperson	Wendell Huang										
	Executive Vice President and Co-Chief Operating Officer	Y.P. Chyn										
	Executive Vice President and Co-Chief Operating Officer	Y.J. Mii										
	Senior Vice President and Deputy Co-Chief Operating Officer/Chief Information Security Officer	Cliff Hou										
	Senior Vice President and Deputy Co-Chief Operating Officer	Kevin Zhang										
	Senior Vice President	Lora Ho										
	Senior Vice President	Wei-Jen Lo (Note 2)										
	Senior Vice President/Former Chief Information Security Officer	J.K. Lin (Note 2)										
	Senior Vice President	J.K. Wang (Note 2)										
	Senior Vice President and General Counsel/Corporate Governance Officer	Sylvia Fang										
	Senior Vice President	Y.L. Wang (Note 3)										
	Senior Vice President and TSMC Senior Fellow	T.S. Chang (Note 3, 4)										
	Senior Vice President	Michael Wu (Note 3)										
	Senior Vice President	Geoffrey Yeap (Note 3)										
	Vice President	Connie Ma (Note 2)										
	Vice President and TSMC Distinguished Fellow	Douglas Yu (Note 2)										
	Vice President	Min Cao										
	Vice President	Marvin Liao (Note 2)										
	Vice President/CEO, JASM	Y.H. Liaw										
	Vice President	Simon Jang										
	Vice President	C.S. Yoo										
	Vice President	Jun He										
	Vice President and Chief Information Officer	Chris Horng-Dar Lin										
	Vice President	Jonathan Lee										
	Vice President	Arthur Chuang										
Vice President and TSMC Senior Fellow	L.C. Lu (Note 4)											
Vice President	K.C. Hsu											
Vice President/CEO, TSMC Arizona	Ray Chuang											
Vice President	Vanessa Lee (Note 2)											
Employee	Y.C. Huang (Note 2)											

Note 1: The number of shares issued is based on the amended number of total shares disclosed on Ministry of Economic Affairs as of February 24, 2026.

Note 2: Vice President J.K. Wang retired, effective May 7, 2022. Vice President Connie Ma retired, effective November 1, 2022. Vice President Dr. Marvin Liao retired, effective November 11, 2022. Mr. Y.C. Huang retired, effective May 1, 2022. Senior Vice President Mr. J.K. Lin retired, effective April 10, 2025. Vice President Dr. Douglas Yu retired, effective July 8, 2025. Vice President Ms. Vanessa Lee resigned, effective July 13, 2025. Senior Vice President Dr. Wei-Jen Lo retired, effective July 27, 2025.

Note 3: Dr. Y.L. Wang, Dr. T.S. Chang, Dr. Michael Wu, and Dr. Geoffrey Yeap were promoted to Senior Vice President, effective February 10, 2026.

Note 4: Dr. T.S. Chang and Dr. L.C. Lu were promoted to TSMC Senior Fellow, effective June 17, 2025.

4.7 Status of New Share Issuance in Connection with Mergers and Acquisitions: None.

4.8 Funding Plans and Implementation

The funds raised by TSMC through issuances of domestic corporate bonds are used in accordance with respective funding plans and actual needs. As of the end of 2025, the implementation status of each uncompleted plan was as follow:

Projects	Gross Proceeds	Use of Proceeds	Implementation Status
Unsecured Corporate Bond (114-2, Green Bond)	NT\$14.1 billion	Green buildings, renewable energy purchase and environmental protection related expenditures	<p>Purchase/expansion of facilities and equipment: As of the end of 2025, the actual completion rate of fund uses was 88.80%, higher than the original plan of 16.21%, reflecting the progress of actual payment application. The funds were used in accordance with the original plans and there were no material differences between the expected benefits and the actual ones.</p> <p>Others: As of the end of 2025, the actual completion rate of fund uses was 17.69%, higher than the original plan of 0%, reflecting the progress of actual payment application. The funds were used in accordance with the original plans and there were no material differences between the expected benefits and the actual ones.</p>
Unsecured Corporate Bond (114-3, Green Bond)	NT\$12.3 billion	Green buildings, renewable energy purchase and environmental protection related expenditures	<p>Purchase/expansion of facilities and equipment: The funds are scheduled to be used from the second quarter of 2026.</p> <p>Others: The funds are scheduled to be used from the third quarter of 2026.</p>
Unsecured Corporate Bond (114-4, 10-year tranche is Green Bond)	NT\$17.8 billion	Purchase/expansion of facilities and equipment, green buildings, renewable energy purchase and environmental protection related expenditures	<p>Purchase/expansion of facilities and equipment: As of the end of 2025, the actual completion rate of fund uses was 88.21%, same as the original plan. The funds were used in accordance with the original plans and there were no material differences between the expected benefits and the actual ones.</p> <p>Others: The funds are scheduled to be used from the first quarter of 2027.</p>
Unsecured Corporate Bond (114-5, Green Bond)	NT\$23.5 billion	Green buildings and environmental protection related expenditures	<p>Purchase/expansion of facilities and equipment: As of the end of 2025, the actual completion rate of fund uses was 15.19%, higher than the original plan of 0%, reflecting the progress of actual payment application. The funds were used in accordance with the original plans and there were no material differences between the expected benefits and the actual ones.</p>