

Compliance

- The Tokyo Electron Group acts in strict compliance with business ethics and applicable laws to ensure that its corporate activities are fair and trustworthy.

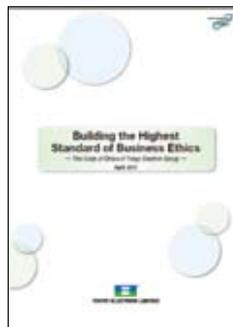
● Stance on business ethics and compliance

Trust from stakeholders is the cornerstone of business activities. In order to maintain trust, it is necessary to continuously act in rigorous conformity to business ethics and compliance. In line with the Fundamental Policies Concerning Internal Controls within the Tokyo Electron Group, all Group employees are required to maintain high standards of ethics and to act with a clear awareness of compliance.

● Code of Ethics, Chief Business Ethics Director, and Ethics Committee

In 1998, Tokyo Electron formulated the Code of Ethics of the Tokyo Electron Group to establish uniform standards to govern all of its global business activities. In the same year, the company appointed a Chief Business Ethics Director and established the Ethics Committee, which is responsible for promoting business ethics awareness throughout the Group. The Ethics Committee comprises the Chief Business Ethics Director, the Ethics Committee Chairman, and presidents of major Group companies in and outside Japan. The members meet semiannually, report on ethics-related issues faced by each company, and discuss measures to further improve ethical behavior and compliance.

The Code and its Q&A section are published in Japanese, English, Korean and Chinese, and the company distributes it to all Group executives and employees, including those overseas. Moreover, the Code is appropriately reviewed and revised in response to changes in the environmental and social demand. The most recent revision of the Code and Q&A was in April 2011.



Code of Ethics booklet

The Code of Ethics of the Tokyo Electron Group:

 http://www.tel.com/environment/corp_governance/compliance/ethical.htm

● Compliance & Internal Control Executive Officer

Tokyo Electron has appointed a Compliance & Internal Control Executive Officer from among the executive officers to raise awareness of compliance across the Group, and further improve its implementation.

● Framework for thorough implementation of compliance

Tokyo Electron has drawn up the Compliance Regulations setting out basic compliance-related requirements in line with the Code. The Compliance Regulations are intended to ensure that all individuals who take part in the business activities of the Group clearly understand the

pertinent laws, regulations, international standards and internal company rules, and consistently apply these rules in all of their activities.

① Internal reporting system

In the event that an employee becomes aware of any activity which may violate a law, regulation or principles of business ethics, the Group operates an internal reporting system that employees may use to report their concerns. The entire Group has established an ethics hotline and a compliance hotline, and this reporting system is also in place at each overseas base. In all cases, this system ensures that strict confidentiality is maintained to protect the whistleblowers and ensure that they are not subject to any disadvantage or repercussions.

② Compliance education

Through the Group's e-learning system, we provide a common training program covering the basics of compliance, internal control, confidential information management and other topics, which all executives and employees are required to complete, as well as a training program on insider trading and other subjects aimed at different levels of personnel. We regularly and actively encourage employees to participate in training via these programs. We also make information on compliance issues available to employees on a dedicated site on our Intranet and take other steps to promote broad awareness of compliance throughout the Group.

③ Confirming of information on Japanese laws

In order to reduce the risk of legal compliance violations, we regularly identify and clarify the Japanese laws that affect company operations and regulations. Information regarding revisions to relevant laws is received in a timely manner via an external Web service and appropriate responses are taken, such as amending internal regulations, changing operational procedures, and notifying all personnel affected by the revisions.

④ Follow-up on compliance survey

Following a finding by a December 2010 compliance survey targeting the executives and employees of all Group companies that there is a need for education on the issue of workplace harassment, in fiscal 2012 we focused on measures to prevent these types of incidents occurring. Measures taken include informing all employees of the availability of a contact point for consultation, as well as providing training to the consultant staff. In March 2012, we also provided managerial personnel at Group companies with web-based training on workplace harassment, with approximately 2,300 employees taking part.