

# Message from the President

## Achieving a Sustainable Society



### Business Combination with Applied Materials

The Tokyo Electron Group plans to combine with Applied Materials, Inc. in 2014 with the aim of becoming a global innovator in the semiconductor and display production equipment industries. I am confident that the business combination will contribute substantially to the further development of the semiconductor and semiconductor production equipment industry and a sustainable society. By bringing together the complementary state-of-the-art technologies and services of each company, we intend to create new development capabilities and a world class financial foundation, accelerate ground-breaking technological innovation and production development, and establish the highest quality management systems with support capabilities that can respond accurately and in a timely manner to advanced customer needs.

The business combination will also be an opportunity for TEL Group employees to open doors to a wide range of new challenges and we will strive to create an enthusiastic work environment with a global focus that prizes diversity. We believe that this in turn will further develop our employees' talents and allow us to continue growing as a cutting-edge global technology firm.

### Review of 2013

This year we once again made CSR the center of our corporate principles and established a company-wide CSR infrastructure led by our dedicated division. For example, we established new structures for corporate governance, appointed a director responsible for implementing CSR, established CSR organizations within group companies including main overseas group sites, and created a CSR implementation structure that is directly linked to management. On a practical level, we incorporated the EICC<sup>®</sup> (Electronics Industry Citizenship Coalitions<sup>®</sup>), into our business activities



based on the 10 Principles of the United Nations Global Compact which TEL Group joined in 2013, and identified and took steady measures to address social issues in our business. As a result of these efforts, in fiscal 2014 we achieved our target of halving product energy consumption by fiscal 2015. In order to realize our CSR goals across our entire supply chain, we started working together with our suppliers to create joint CSR initiatives such as creating CSR structures, green procurement strategies, and measures to address conflict minerals. We recognize that society is constantly moving forward, and this year we helped design a next-generation science curriculum as well as continue our support for education and social welfare programs in regions affected by the Great East Japan Earthquake.

We strongly believe that CSR is a crucial element in the foundation of our corporate activities. Establishing stable and reliable operations is a universal measure for building a sustainable society, and as such, it is our duty to continue developing effective and innovative CSR initiatives for the future.

### This report and future information disclosures

Fulfilling the requests and expectations of stakeholders is a fundamental role of business enterprises. We consider Materiality essential to effective communication and sought to present the information that our stakeholders consider highly important in a transparent and straightforward manner when preparing this report. We will also disclose information on future company developments and report to stakeholders by posting on our website and issuing news releases in a timely manner.

We request your continued support as the TEL Group takes new steps into the future.

**Tetsuro Higashi**  
Chairman, President & CEO  
Tokyo Electron Limited

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### Scope of report

Tokyo Electron Group  
(49 consolidated companies)  
(Tokyo Electron and its subsidiaries in Japan  
and overseas)

### Period covered

Fiscal 2014 (April 1, 2013–March 31,  
2014). However, some information for  
fiscal 2015 has also been included.

### Publication timing

Publication of this report: July 2014  
(Japanese), August 2014 (English)  
Publication of the next report:  
September 2015 (Japanese), November  
2015 (English)  
Publication of the previous report:  
September 2013 (Japanese), November  
2013 (English)

### Guidelines referred to in preparing this report

*Environmental Reporting Guidelines  
2012* issued by Japan's Ministry of  
the Environment  
*Sustainability Reporting Guidelines Version  
3.1* published by the Global Reporting  
Initiative (GRI)