

Toward a Sustainable Society

We are committed to doing business in a way that moves us toward a sustainable society. In this context, we give a high priority to the environment, health and safety.



A handwritten signature in black ink, reading "Kiyoshi Sato".

Kiyoshi Sato
President & CEO
Tokyo Electron Limited

Our Commitment

1.

TEL will create value and contribute to the realization of sustainable society.

2.

As a leading company in the business of semiconductor production equipment, we will be a frontrunner in initiatives for the protection of the global environment.

3.

Based on our philosophy of respect for people, we will give the issues of health and safety the highest priority.

Our Policy: Stay on the Leading Edge in Semiconductor Technology

Since TEL was founded in 1963, TEL has continually led technological innovation in the semiconductor industry. We will continue developing new technologies and products, in order to contribute to the development of the global semiconductor and flat panel display (FPD) industries. One of the most important factors in opening up new technologies is the effort to reduce the burden on the environment.

We believe that semiconductors and FPDs are a part of the infrastructure of society that enriches the lives of people around the world, lets people live better lives, and enables us to enjoy intelligent living. At the same time, because semiconductors and FPDs are integrated in all electronic devices—from computers and cell phones to refrigerators and many other products—they have the potential to help make a large reduction in the energy consumption of devices and equipment, and in a broader sense, of society overall.

TEL develops and manufactures a vast variety of equipment that is used in semi-

conductor manufacturing. A common feature of this equipment is that large amounts of electricity and chemicals are required in the process of making semiconductors and FPDs. We believe that one mission of TEL is to create equipment that can fabricate semiconductors and FPDs while placing a smaller burden on the environment.

Respect for People is Our Basic Philosophy

Since TEL was founded, we have had "Respect for People" as our basic belief, and our corporate message has been "People. Technology. Commitment." These words represent our commitment to provide customers products of the highest quality and superior technology, and at the same time to give the utmost priority to health and safety and consider the protection of the global environment.



As with environmental protection, TEL is constantly thinking about the health and safety of all its stakeholders—customers, local communities, suppliers, employees—and takes these into account in day-to-day activities.

In addition, we strive to create a workplace environment where people can work toward their goals and make the most of their own ideas. We believe that it is only when people are given respect that a company, or even a society, can develop and grow.

As a Corporate Citizen, We Contribute to Society

We believe that it is by earning the trust of the local community that a company makes its own development sustainable. TEL has operations around the world. We believe that, as a company we should not only consider the local environment, but also contribute to the local community on both environmental and safety fields through a wide range of initiatives that reflect our social responsibility. We are promoting activities based on these beliefs, and we work to raise the awareness of all employees in order to give these attitudes life inside the company.

Meanwhile, we are promoting cooperation not only in the local community. But also in our fields of business, in terms of more fundamental environmental efforts involving the entire industry. At the center of these efforts is the review of semiconductor and FPD production equipment from the perspective of Life Cycle Assessment(LCA). Activities to effectively promote a reduction of the environmental impact of all processes—from development to disposal—are also important. We are playing a leading role in these activities, aware of the huge

benefits for society if each company were to contribute to the reduction of environmental impact in its own specialty field.

In this report we introduce the environmental protection activities mentioned above, and describe TEL's future directions. We will continue to actively share this information,

in an effort to gain the understanding of our many stakeholders.

We warmly welcome your comments and opinions.

Tokyo Electron Group Credo on Environmental Preservation

< The TEL Group Credo on Environmental Preservation >

The Tokyo Electron Group believes that preserving the global environment and constantly improving it is one of the most important objectives for mankind, as well as our business. Based on this credo, we are determined to expand our business by maintaining harmony with the global environment, and thus win the trust of our many customers, shareholders, employees and society in general.

< The TEL Group Principles on Environmental Preservation >

1. Continuous Improvement

TEL is conscious that products manufactured by the TEL Group affect the environment, and based on this awareness, we, with our customers and suppliers, shall continually strive to minimize the impact of processes and operations on the environment.

2. Knowledge

TEL continually strives to enhance its understanding of the impact that the TEL Group has on the environment and the responsibility that this entails. In addition, TEL aims to gain a quantitative grasp of environmental factors, and the impacts resulting from TEL Group activities and operations.

3. Performance Criteria

As well as strictly observing mandatory environmental laws, treaties and agreements, TEL strives to enhance its own environmental management system and improve global environmental preservation programs by the proactive establishment of its own aggressive environmental performance criteria.

4. Disclosure

TEL shares information about its environmental concept, principles and the progress of our contribution toward environmental protection with employees and the general public.

5. Partnership

TEL actively participates in environmental protection activities practiced by our customers, suppliers and communities.

September 25, 1998
Tokyo Electron Limited