Trust is and will always be the lifeline of the Tokyo Electron Group. The fundamental requirements for maintaining trust are rigorous conformity to our ethical standards and compliance with the law, by our employees as individuals, and by each of our organizations. We give first priority to compliance with high ethical standards and laws in conducting our business operations.

We believe that common standards must be applied throughout our divisions in order to create the globally excellent company that we envision. In 1998 we established a Code of Ethics, which concretely describes our basic views. At the same time, we established the Ethics Committee as an organization for actual operations.

We established our Compliance Regulations in 2004. The Regulations, which provide for basic matters concerning compliance based on the Code of Ethics, are designed to help those engaged in the business operations of the Tokyo Electron Group understand fully the relevant laws, regulations, and international rules as well as in-house rules and act accordingly at all times.

In 2005, we conducted an awareness survey on our Code of Ethics and compliance measures targeting approximately 9,000 employees from both our domestic and overseas Group companies. Based on the survey results and according to the Whistleblower Protection Act of Japan enacted in 2006, we revised the Compliance Regulations to make our hotline (system for reporting noncompliance with the Code of Ethics and laws) more effective, including the prohibition of disadvantageous treatment of whistleblowers, protection of privacy in the process of handling noncompliance reports, and ensuring confidentiality.

Leakage of personal information has become a social concern in recent years and companies are required to manage the personal information they hold in an appropriate manner. In Japan following enactment of the Act on the Protection of Personal Information in April 2005, the Tokyo Electron Group formulated its basic policies and rules on the protection of personal information. We educate employees on the implementation of policies and rules, endeavoring to make them more aware of these policies and rules. Furthermore, in Japan we investigated personal information stored on approximately 11,000 PCs leased to employees and created a ledger of personal information to be managed by each Group company and department. Also, we installed servers to be used exclusively for storing personal information and prohibited employees from storing important personal information on their PCs. In addition, we added some rules to the guidelines on enhanced safety measures for the protection of personal information. These rules include those on the management of particularly important personal information, such as information about business partners, personnel-related information, and general affairs-related information, as well as rules on the use of cell phones.