

Safety and Health Initiatives

Our approach to safety and health

The TEL Group performs a range of business activities including development, manufacturing, transportation, installation and maintenance with the highest priority on the safety and health of all personnel from top management to frontline staff and makes proactive and continuous improvements to enhance safety and promote good health.

Safety Policy

1. Safety First

Based on the principle of "safety first," we strive to create safer products and work to maintain and improve the safety of all people involved with our products and healthy workplace environments.

2. Pursuit of Safe Technologies

With an awareness of the factors that impair safety and health in our various business activities, we continuously strive to create safer and more secure workplaces by making improvements concerning those factors and through intrinsically safe equipment designs and superior service capabilities.

3. Management and Employee Responsibility

All employees maintain an awareness of potential problems and of the need for improvement concerning the maintenance and enhancement of safety and health at all workplaces, and management and employees act in accordance with their respective responsibilities.

4. Legal Compliance

We comply with safety and health laws and regulations and international rules, take into consideration industry guidelines and strive to promote safety and health.

5. Collaboration and Cooperation with Society

Based on a common understanding with a broad range of stakeholders, we cooperate and collaborate with society and work to appropriately meet expectations.

● Initiatives for safety and health

As part of our social responsibility activities, the TEL Group places great importance on ensuring that our customers, employees and everyone else involved in our business can work in a safe workplace environment, use our products safely and enjoy good health.

With a particular focus on securing the safety of its employees, the TEL Group carries out safety education using

internal training facilities. This includes providing ongoing practical training that aims to prevent accidents in clean rooms, where our production equipment is primarily installed. In order for equipment to be connected to power and other utilities*¹, the floor of a clean room in which it is located must have an open grating. This grating, however, can present a potential tripping or falling hazard. Aiming to avoid these risks, the training sessions simulate actual working conditions in order to instruct participants on proper work procedures and how to deal with dangerous situations. Similar safety education and practical training sessions are conducted in other countries and regions around the world.



Practical training in a clean room

● Preventing workplace accidents*² before they occur

The number of workplace accidents in fiscal 2013 dropped from the fiscal 2012 level by about 20%. The number of accidents that could have led to severe injury*³ was reduced to half in both fiscal 2012 and fiscal 2013 from the fiscal 2011 level, thanks to vigorous activities aimed at eradicating serious accidents. These figures are the results of our ongoing preventive measures, which include checking the availability of safety facilities and the safety environment at new factories and lines before delivering our equipment, identifying potential hazards at work sites (a task we call "KY" for the Japanese term "Kiken Yochi"), conducting safety inspections and providing training based on accident case studies. As part of its 50th anniversary celebrations in fiscal 2014, the TEL Group is reminding its employees of the Group's "safety first" policy and working to further foster a safety culture with the aim of totally eliminating workplace accidents through the collective efforts of the entire Group.

TOPICS

Training for raising hazard sensitivity in South Korea

For three days in February 2013, Tokyo Electron Korea Ltd. (TEK) conducted a training program for identifying potential hazards known as "Kiken Yochi Training" (KYT) as well as "point and call" training. A total of 33 employees participated in the programs. KYT is designed to help workers identify possible hazards in the workplace to prevent accidents and has been statistically proven to be highly effective.

Although TEK employees seemed a little awkward when first trying out the four-round hazard identification and point and call methods, they nevertheless took their training seriously and worked hard. We expect that practicing these methods will lead to more effective accident prevention in the future.



Point and call training

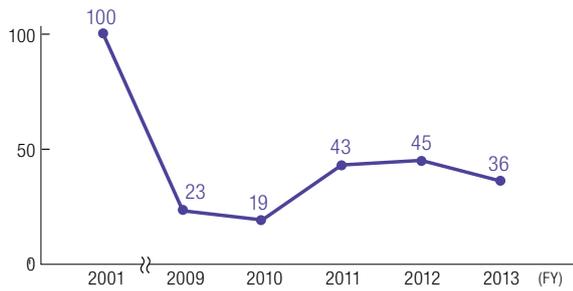
Glossary

*¹ **Power and other utilities:** Electricity, special high-pressure gas, liquid chemicals, air, cooling water and pure water, and exhaust discharge, among others

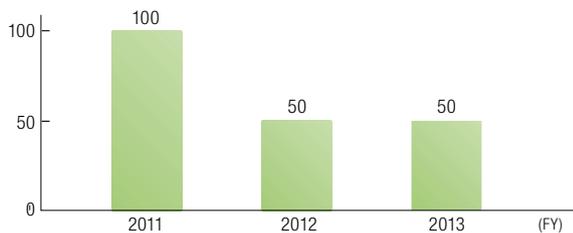
*² **Workplace accident:** Following the guidelines of the United States Occupational Safety and Health Administration (OSHA), the TEL Group defines an accident involving an injury to an employee as a "workplace accident."

*³ **Accident that could lead to a severe injury:** An accident that could result in a severe injury with ongoing effects

■ Occurrence rate of workplace accidents (FY2001 = 100)



■ Occurrence rate of accidents that could lead to a severe injury (FY2011 = 100)

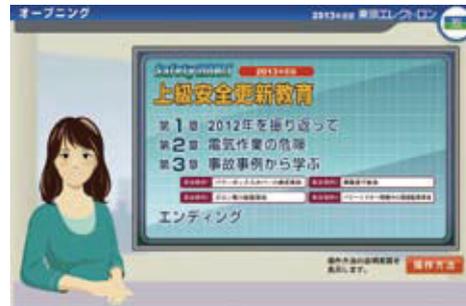


● Safety education

Since July 2000, the TEL Group has been providing basic safety education for all Group employees using a manual created in-house. We provide more advanced safety education using a manual compiled by the Semiconductor Equipment Association of Japan (SEAJ) for our technical employees who work primarily in clean rooms.

In fiscal 2013, 9,517 employees took basic safety refresher courses using a web-based education system. The courses included a videotaped interview on safety with the Tokyo Electron president and covered lessons learned from the Great East Japan Earthquake as well as the subject of radiation. Meanwhile, 7,580 employees participated in

advanced safety refresher courses, which covered accidents identified as fiscal 2013 priority issues: falling into a floor opening, exposure to a liquid chemical, becoming caught in a moving part of a machine, becoming trapped during transportation of heavy goods and gas leaks.



Advanced safety refresher course using web-based education system

● Checking safety with customers

When delivering TEL equipment to factories newly constructed by our customers, the TEL Group checks the new factory's facilities and equipment as well as its work safety procedures before starting operation of the equipment. These checks are intended to identify any questions or problems related to work procedures and promote the development of a safe working environment prior to start-up.

With regard to facilities, we particularly check the availability of systems that are crucial during emergencies, such as gas detectors, water leakage detectors, emergency showers, eye washers and (material) safety data sheets (MSDSs/SDSs).

Even after launching operation of our equipment following delivery, we continue to conduct checks on an as-needed basis in order to resolve questions and problems and ensure that procedures will be carried out safely.

TOPICS

Traffic safety education

The Safety Promotion Dept. of Tokyo Electron FE Ltd. (TFE) provides a traffic safety education program called "What Will You Do?" for its field engineers who work on-site at customers' plants. The education program include familiar topics such as identifying possible hazards while driving; driving and avoiding accidents on rainy days; possible hazards at intersections; possible hazards on commuter roads, during twilight hours and at night; risks of skidding; and risks present at parking lots. To impart the full horror of traffic accidents and give clear examples of how to avoid them, the program uses video of actual accidents and near misses captured by drive recorders. At the end of the course, participants take a quiz to check their level of understanding.

As well as TFE engineers, employees working at other departments and plants have accessed the course website, with the number of participants last fiscal year totaling around 1,400.



Traffic safety education program using a web-based education system

