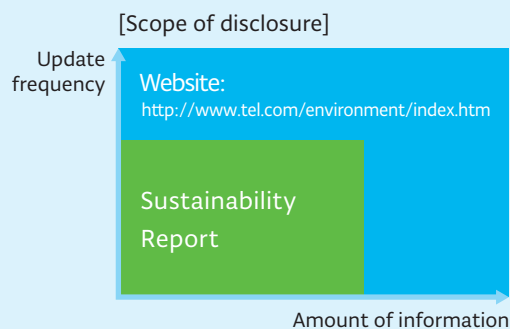


Editorial policy

With the publication of the fiscal year 2016 edition, the title of the report has been changed from “Environmental and Social Report” to “Sustainability Report”. Efforts are also being made to communicate more clearly about TEL’s roles and responsibilities in promoting sustainable society and about specific activities toward achieving this goal.

Recognizing the importance of stakeholder communication, we made every effort to improve the quality and organization of the report, so readers can understand the positioning of CSR (Corporate Social Responsibility) at TEL and the policies and initiatives for advancing CSR. In this edition, we explain the connection between society and TEL’s medium- to long-term management plans. We also clearly describe the goals and activities of each department to demonstrate our commitment to solving social issues through business operations and enhancing overall corporate value. To find out more, please visit us at www.tel.com.

TEL will continue to promote CSR, including the disclosure of information in a transparent manner. Your candid opinions and inputs on this report are highly appreciated.



Organizations covered

Although some content covers only TEL subsidiaries in Japan, this report covers the entire TEL Group, 38 consolidated companies around the world. In April 2014, the status of Tokyo Electron Device Limited changed from being a consolidated subsidiary to an equity-method affiliate.

Period covered

Although some content covers fiscal year 2017, this report principally covers fiscal year 2016 (from April 1, 2015 to March 31, 2016).

Publication date

Current report: July 2016

Next report: Scheduled for July 2017

Previous report: July 2015

Reference Guidelines

The G4 Sustainability Reporting Guidelines, GRI (Global Reporting Initiative)

Environmental Reporting Guidelines 2012, Ministry of the Environment, Government of Japan

Contact

Tokyo Electron Limited

CSR Promotion Department

Akasaka Biz Tower, 3-1 Akasaka 5-chome, Minato-ku, Tokyo 107-6325, Japan

Tel: +81-3-5561-7000

URL <http://www.tel.com/contactus/index.htm>

Table of contents

Editorial policy	2
Table of contents	3
CEO's message	4
CSR operations	TEL's Corporate Philosophy and CSR 6 Stakeholder communication 7 Social issues surrounding our business 8 Business opportunities and mid-term vision 9 Materiality assessment 10
Innovation	Innovation management 12 Protecting and using intellectual property 13
Safety	Highlights, Goals and results, Framework 15 Improving employee safety 16 Improving customer/Product safety 17
Quality	Highlights, Goals and results, Framework 19 Product quality 20 Streamlining operations 21 Consideration for customers 22
Procurement	Highlights, Goals and results, Framework 25 Sustainable supply chain 26 Supply chain communication 27
Our people and workplace	Highlights, Goals and results, Framework 29 Realizing an engaging work environment 30
Environment	Highlights, Goals and results, Framework 33 Product initiatives 34 Factory and office initiatives 36
Social contribution	Highlights, Principles, Policy, Goals and results 39 Toward a sustainable global society 40 Working with local communities 41
Corporate governance	Corporate governance 42 Internal control and risk management 46 Compliance 47
Report review	48
Awards and recognition	49
Performance summary	50
Corporate profile	55