TOKYO ELECTRON ANNUAL REPORT 2014

Corporate Citizenship

■ Environmental, Safety and Health Activities

Environmental, Safety and Health Activities

Tokyo Electron positions environmental, safety and health activities as one of its most important management issues to achieve both sustained corporate growth and a sustainable society. The Group is committed to reducing the environmental impact of all its activities, and to ensuring absolute safety in the Company's facilities and in those of its customers.

Environmental Activities

Under the slogan "Technology for Eco Life," the Tokyo Electron Group aims to use cutting-edge technologies and services to solve environmental problems. In all its business activities, the Group aims to reduce environmental impact and preserve the global environment, while also conducting activities aimed at conserving biodiversity. In these ways, the Tokyo Electron Group is contributing to the creation of a sustainable world.

Goals Based on the Environment Vision

Under the Environment Vision, in fiscal 2012 we set environmental goals in the four areas of products, procurement and logistics, plants and offices, and environmental management. In products, our target has been to reduce the power consumption of major models of each business unit by 50% and promote the environmental compliance of products. In procurement and logistics, we are promoting green procurement and modal shifts. In plants and offices, we aim to reduce energy and water consumption and promote the recycling of waste. In environmental management, we

will continue to obtain ISO 14001 certification for the Group's plants, implement environmental education, and begin activities to protect biodiversity, among other environmental activities.



	Goal	Status in fiscal 2014
Products	Reduction of environmental impact	Reduced power consumption of major models of each business unit by 50% from the fiscal 2008 levels ahead of schedule in fiscal 2014.
	Compatibility with Chinese RoHS	Began activities aimed at compatibility with Chinese RoHS at overseas production bases.
	Voluntary compliance with the EU's RoHS	Continued to ensure that major models of each business unit contain 98.5% or more parts that meet the EU's Restriction of Hazardous Substances Directive (RoHS).
	Compliance with environmental regulations of each country	Continued to ensure product compliance with the EU's Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) framework as well as with labeling requirements based on the Globally Harmonized System of Classification and Labeling of Chemicals (GHS) and battery regulations of each country. Reinforced overseas compliance systems.
Procurement and logistics	Promotion of Green Procurement	Surveyed approximately 300 major business partners to understand the status of their environmental initiatives.
	Reduction of environmental impact of logistics	Promoted modal shifts, continued monitoring.
Plants and offices	Reduction of energy consumption by 1% year on year	Nine of 14 global locations that set targets achieved them.
	Recycling of waste (maintain domestic recycling ratio at 97% or higher)	Achieved domestic recycling ratio of 98%. Overseas locations that set targets achieved them.
	Reduction of water consumption (maintain fiscal 2012 level)	Achieved 11 of 18 targets set at global facilities.
Environmental management	Environmental management system	Maintained ISO 14001 certification for the Group's plants.
	Environmental education	Conducted environmental education overseas. Including those in Japan, approximately 10,000 participants have received environmental education since fiscal 2013.
	Environmental communication	Continued to publish Environmental and Social Reports.
	Conservation of biodiversity	Held multiple ecosystem observation events at all domestic locations based on our activity guidelines.

Example of efforts to reduce products' environmental impact

Plasma Etch System A 50% reduction in energy used per wafer by Tactras™ Vigus™ was achieved by reducing the energy consumed by the high frequency generator (plasma generation) and the chiller (temperature control), which are major consumers of electricity in the system.

Plasma Ftch System

Tactras™ Vigus™

Results of the Fiscal 2014 Environmental Goals

Environmental goals and the corresponding results for fiscal 2014 are as follows.

I. Products

- Reducing environmental impact
- The goal of reducing power consumption by 50% (from the fiscal 2008 levels) for the major models in each business unit was achieved in fiscal 2014, a year ahead of schedule.
- Product environmental compliance

 In addition to pativities to reduce the
- In addition to activities to reduce the use of hazardous substances*, Tokyo Electron continued to assure compliance with environmental regulations.
- * In Japan, substances regulated in the Act on the Evaluation of Chemical Substances and Regulation of Their Manufacture, etc., the Industrial Safety and Health Act, and the Poisonous and Deleterious Substances Control Act.

 Outside Japan, substances regulated by RoHS, REACH, etc.

II. Plants and Offices

- Reducing energy use
- Nine of 14 global locations achieved goals to reduce energy consumption by 1% on a per-unit basis in each area. The Group's fiscal 2014 CO_2 emissions as defined by scope 1 and scope 2 of the GHG Protocol were 157.360 tons.
- Reducing water use
 Under the overall goal of maintaining fiscal 2012 usage levels
 on a per-unit basis in each area, global facilities achieved 11 of
 18 specific targets set.
- · Recycling of waste



Meeting on implementation of new guidelines for the use of chemicals in products



Ecosystem observation event

Domestic plants and offices achieved the goal of recycling 97% or more of waste. All overseas facilities that set targets achieved them.

III. Other Activities

The Group surveyed business partners about their environmental activities in line with the green procurement guidelines, implemented online environmental education in overseas areas and conducted activities based on the guidelines concerning biodiversity adopted in fiscal 2013.

Tokyo Electron will continue to promote further activities and improvements globally in fiscal 2015.

Safety and Health Activities

Tokyo Electron gives top priority to the safety and health not only of our employees but also of our customers and business partners and conducts various safety activities. The Company promotes safety and health in all of its operations, including offering ongoing safety education to employees and partner companies, designing products with an emphasis on safety and operating factories with consideration for the environment.

In fiscal 2014, Tokyo Electron reduced the number of work-place accidents by 20% compared with the previous year.* Tokyo Electron also carried out activities in line with its important goal of preventing accidents that lead to serious injuries or death. As a result, the number of such accidents was also reduced by 40% compared with fiscal 2013. The Company continued to implement accident prevention measures such as prior safety checks of installation areas, risk prediction activities at work sites, safety patrols and other on-site activities, as well as case studies of actual accidents. The Group is furthermore implementing various ongoing activities to prevent the reoccurrence of accidents caused by human error, including analysis of accident causes and appropriate countermeasures.

Tokyo Electron has built its world class safety systems one piece at a time through tireless safety initiatives. The Group will continue to make every effort to maintain and strengthen this system going forward.

* Like for like basis excludes accidents at the four subsidiaries acquired in fiscal 2013 and traffic accidents among the Group.

For further details, see the "Tokyo Electron Environmental and Social Report 2014" (to be published in July 2014).

