

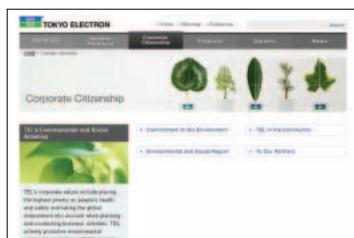
Communicating with Society

The Tokyo Electron Group attributes importance to dialogue with its stakeholders and will grow through better communication with them.

Our Approach to Communication

Based on the recognition that it is important to promote dialogue with our stakeholders, the Tokyo Electron Group is actively communicating with them in its daily business operations. In order to implement measures on the environment and health and safety, we need to share information with all those related to our business operations and to give mutual feedback on the measures we are implementing.

We have published our annual environmental report since 2000 and disclose environmental, health, and safety information on our website. We will continue to disclose information and promote communication with our stakeholders in many different ways.



▲ Website page

Environmental and Social Report 2006 ▶



Sharing Information through EHS Times and the Intranet

The Tokyo Electron Group publishes the EHS Times, a bimonthly in-house magazine that reports on the discussions in relevant Group committees and introduces the environmental, health, and safety (EHS) activities conducted by the Group's companies, plants, and offices in an easy-to-understand manner. Individual Group companies and sites have their own in-house magazines and use them to raise employees' EHS awareness and share relevant information.

We use the intranet for speedy disclosure and sharing of EHS information within the Group. The Group's EHS activities are also introduced via brochures for shareholders and investors and the annual reports.



▲ Website page

Annual Report 2007 ▶



Communicating with Local Communities

The Tokyo Electron Group is committed to conducting its business operations in harmony with local communities and states "We strive to become a company that local communities hold in high esteem" in its TEL Values. In response to requests from local governments, sites within the Group send lecturers who are experts in industrial human resources development to local elementary, junior high, and senior high schools. These sites also offer learning experiences and the opportunity to visit their plants to local schoolchildren, and provide financial and other support to local events such as festivals and to blood donation activities.



▲ Participants on a study tour

EHS communication meetings are held at the Group's manufacturing sites inviting representatives of the companies who we commission to do on-site work. These meetings enable the sites and their cooperating companies to communicate closely on the Group's environmental and safety activities in order to improve them further.

As an example of communicating with local communities, in Yamanashi district we invite children to take plant tours and participate in work experience during their summer vacation. In FY 2007, 30 children who were mainly the children of Group employees participated in the event. In addition, we accept study visits by local junior and senior high school students to our plant throughout the year. In FY 2007, a total of some 350 students visited the plant from eight schools. And in March 2007, we invited local residents to our plant and 70 people, including children, participated in a plant tour.

In the survey we conducted after the study tours, participants commented "I didn't have any chance to see inside the plant. But this visit enabled me to get to know and understand what the plant is doing" and "If I have the chance, I would like to go on another study tour." These activities are some of the ways we promote harmony with local communities.



Study tour of our plant ▶

Communicating with Society

Our Approach to Social Contribution

The Tokyo Electron Group states the following: "We place the highest priority on gaining the trust and acceptance of customers, suppliers, investors, and communities around the world" and "We therefore strive to be a faithful and cooperative member of the communities and nations where we do business." We are engaged in a variety of activities to contribute to society and build relationships of trust with governments and local communities around our facilities. This is true in Japan, of course, as well as overseas. These efforts are based on the above principles. We will expand our activities, hand-in-hand with our customers and neighbors.

Tokyo Electron Nirasaki Arts Hall

Tokyo Electron AT obtained the naming rights for a culture hall owned by Nirasakai City and on April 1, 2006 renamed it Tokyo Electron Nirasaki Arts Hall. As a way of laying a firm foundation in the community and in support of the city administration's wish to utilize the hall for the creation and development of local culture, the company is actively contributing to local communities by supporting the maintenance and management of local public facilities.



◀ Tokyo Electron Nirasaki Arts Hall

The company plans to contribute to the creation and development of culture in Nirasaki City by actively proposing the organization of (1) events that give citizens opportunities to familiarize themselves with science and technology, and (2) activities that will give children the opportunity to dream.

Zero Waste Activities at the Miyagi Plant

Companies in the Tokyo Electron Group and their sites contribute to local communities by conducting local cleanups and cutting the grass. For example, 25 employees of the Miyagi Plant cleaned the roads around their site on May 30, which falls on "zero waste" day. In the cleanup activity, the employees also cleaned the reflecting poles beside the road, contributing to traffic safety. Participants in the activity commented, "The amount of waste was larger than I expected," "I found a lot of litter that had been thrown out of car windows," and "I was glad to be able to do my bit for the local community through this cleanup."



Cleanup activity ▶

TOPICS

Tokyo Electron Kyushu Planting Trees to Protect the Watershed

As in last year, in March 2007 Tokyo Electron Kyushu planted trees on Mt. Tawara in Aso to create a forest to protect the watershed. The planting has been following a five-year plan (three years to plant seedlings and two years for them to grow). This year was the second year of the plan and a lot of employees and their family members participated in the second round of activities.

Participants planted trees with the slogan "Starting 100 years of forest with the planting of small seedlings," which was chosen from slogans proposed by employees at the company's request. Participants also built a monument carrying the slogan to commemorate the second round of planting.

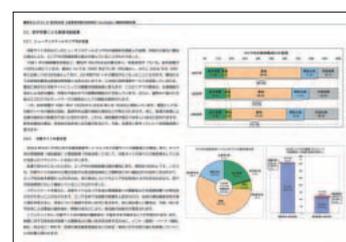


▲ Tree planting activity

In Kumamoto, tap water is sourced from groundwater. The Aso area where the planting on Mt. Tawara is being carried out is said to act as a reservoir for Kumamoto. In fact, rainfall in the area permeates into the ground, and becomes an underground reservoir from which tap water is

drawn. It is, however, becoming difficult to maintain the groundwater at the same level because of the decrease in the number of trees and farmland. The planting therefore contributes to maintaining water resources and provides a good opportunity for people to appreciate the environmental situation in the area.

The Tokyo Electron Group has been studying how to grow green plants both inside and outside its sites. We use Eco-Profiler provided by Kokusai Kogyo Co., Ltd. to identify how much we can contribute to society



▲ Data obtained through Eco-Profiler



▲ Planting trees

by increasing green land, and this gives us a guideline for our future activities. At the new plant that we plan to construct in Taiwacho, Miyagi Prefecture, we intend to design a plant that harmonizes with the surrounding nature.

Tokyo Electron U.S. Holdings's Contribution to Society

Supporting the Local Clean Sweep Activity

Clean Sweep is held annually as part of Keep Austin Beautiful, and is participated in by all residents to keep the locality clean. In cooperation with neighboring companies and local communities, Tokyo Electron U.S. Holdings, Inc. (TEL USHD) has been supporting this activity for more than four years.



Participants in Clean Sweep ▶

Recycling Promoted by Employees

Employees of TEL USHD follow the 4R's (recycle, reduce, reuse, and rebuy) in their environmental conservation activities. Employees bring household waste such as telephone directories, batteries, and cell phones to the company for recycling. In FY 2007, the final volume of waste was reduced by an amount equivalent to 230 trees, 5,100 gallons (approximately 19,305 liters) of petroleum, or 1,200 cubic meters of landfill.

Recycling box



Comments from a Stakeholder

We received comments on our *Environmental and Social Report 2006* and on our business operations from Mr. Noriaki Onoue.

Mr. Noriaki Onoue

Director, Industrial Recruitment & Location Division
Kumamoto Prefectural Government



(1) Comments on the Environmental and Social Report

After reading the Tokyo Electron Group's *Environmental and Social Report 2006*, I was able to understand how serious they are in the environmental and safety activities they are carrying out as part of their corporate social responsibilities.

In addition to its EHS activities, the report refers to the Group enhancing its corporate governance framework and compliance initiatives, which I find noteworthy.

Furthermore, the report is written using easy-to-understand expressions and helpful footnotes, making it understandable even to readers who are not versed in technical matters.

(2) Comments on the Tokyo Electron Group's EHS Activities

The TEL Values, formulated in April 2006 to show the Group's values and action guidelines, clearly state, "We give top priority to safety, health, and the global environment." Also in the "Commitment by Top Management" section of the report, both Chairman Higashi and President Sato confirm their commitment to EHS activities. These writings communicate to me the Group's clear and consistent attitude to its EHS activities.

The report contains numerical verification and details product-related, supplier, and plant and office initiatives. In this way, it introduces the specific activities the Group is involved in based on its corporate philosophy and gives concrete examples which verify the results.

In future environmental and social reports, I look forward to learning about the improvements the Group will implement to attain its unachieved targets.

(3) Kumamoto Prefecture's Impression of the Tokyo Electron Group

Kumamoto Prefecture has formulated its Kumamoto Semiconductor Forest Concept to make Kumamoto a world center for the IT industry. I am sincerely grateful to Tokyo Electron Kyushu for leading this initiative and playing a core role in the plan.

As described in *Environmental and Social Report 2006*, Tokyo Electron Kyushu's Koshi Plant in Kumamoto has been trying hard to reduce its water use and as a result, has received the Higo Water Conservation Prize from the Higo Water Conservation Fund. It is clear to me that Tokyo Electron Kyushu is a company actively engaged in environmental activities on a daily basis.

(4) Requests and Expectations for the Tokyo Electron Group

I hope that the Tokyo Electron Group will have opportunities to publicize the activities it is carrying out at its sites, such as the efforts made at the Koshi Plant to reduce water use, because I think that this will help to spread the progressive activities of the Group to other companies.

Recognizing the limited nature of our resources, Kumamoto Prefecture is committed to a recycling-based society. We want to create a living environment for our citizens that is in harmony with Kumamoto's rich natural environment. I hope that the Tokyo Electron Group will continue with its energetic EHS activities, which are consistent with the policies of our Prefecture.

Our Response

We thank Mr. Onoue for his frank opinions. Tokyo Electron Kyushu manufactures its products with the slogan, "Manufacturing the world's highest class products in the world's greatest environment."

We would like to manufacture the world's highest quality products in our Kumamoto, Koshi, and Otsu Plants in harmony with Kumamoto Prefecture's rich natural environment, and we are committed to continuing our activities to contribute to the local community.

Akira Miura
President and Representative Director
of Tokyo Electron Kyushu Limited