

Safety

The TEL Group gives the highest consideration to the safety and health of every person connected with our business activities, from top management to frontline staff. All of our staff acts in accordance with their respective responsibilities and we maintain constant awareness of potential problems and the need to continually improve our safety and health standards.

Safety promotion framework

It is important for every individual to raise their own safety awareness in order to achieve work sites where all employees can work safely. To promote safety standards, the TEL Group has established a universal framework consisting of a supervising Safety Meeting and specialized Work Safety Promotion and Equipment Safety Promotion Meeting. This organization identifies the cause of both accidents resulting in injury or damage due to equipment or human error and makes efforts to prevent similar incidents from reoccurring.

Safety promotion framework

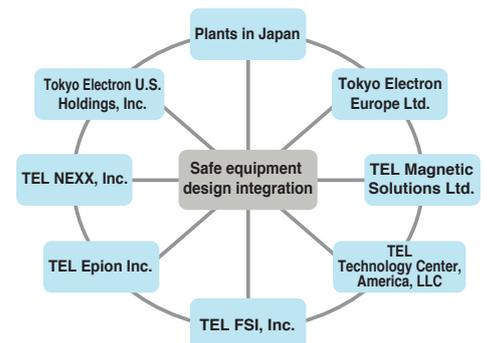
Global safety activity promotion framework	Safety Meeting Information about common and important matters related to safety of the entire Group is shared, and intensive debates are held when necessary. Basic policies are shared and distributed to the entire Group.
	Work Safety Promotion Meeting Work safety-related matters at customer's bases and TEL Group bases are discussed from a global perspective, and put into practice.
	Equipment Safety Promotion Meeting Sharing and complying with regulations related to equipment safety will enhance safety.

Equipment safety measures

The TEL Group examines global laws and regulation, abides by all safety regulations of the region our equipment is shipped from, and allows inspections by safety certification organizations when necessary.

In addition, we carry out risk assessments during the development phase while considering the equipment's capabilities and life cycle, and based on these results implement intrinsically safe equipment designs^{*1} to reduce these risks. We also created subcommittees and improved the safety performance with newly acquired companies by examining products with lengthy histories and sharing methods to improve them.

We will continue these efforts and enhance the safety of all of the TEL Group's equipment.



In Focus Taking part in safety training

According to the survey we conducted after our employees completed their safety education, many participants indicated that they liked that the content could be applied in real-life operations.

- I knew that work needs to be temporarily stopped when trouble occurs, but I learned once again that there is no need to hesitate. I will put this into practice starting tomorrow.
- I had no idea that even a trace of alcohol could result in an explosion, or that an electrical short could cause such large sparks. I want to be aware of these things so I can avoid them when I am working, and regularly take part in training so my awareness does not fade.



Education

| Glossary | ^{*1} Intrinsically safe equipment design: By coming up with innovative machinery design, this eliminates the causes of machinery posing a hazard to people.

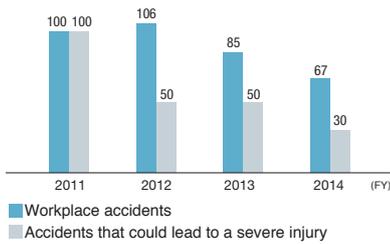
TCIR² value

0.33

As the Tokyo Electron Group carries out accident prevention activities on an ongoing basis, this facilitates a decrease in accidents. As a result, the occurrence rate of injuries from accidents during work—as indicated by the TCIR value—has maintained a world-class safety standard of less than 0.5 since 2006. In fiscal 2014 we achieved a TCIR value of 0.33.



Occurrence rate of workplace accidents (FY2011=100)



Efforts for accident prevention

As part of our social responsibility activities, the TEL Group places great importance on ensuring that everyone involved in our business can work in a safe workplace environment and enjoy good health by regularly holding safety promotion meetings in Japan and overseas. In particular, the number of accidents that could have led to severe injury³ was reduced by 70% in fiscal 2014 from the fiscal 2011 level due to our diligent efforts. In addition, the overall rate for workplace accidents⁴ including mild injuries was reduced by 33%*.

*Accidents counted with the same conditions as the previous fiscal year (excluding accidents that occurred at the four companies we acquired in fiscal 2013, and traffic accidents that occurred at the TEL Group).

Workplace initiatives

When equipment is being operated in a customer’s clean room, signs indicating “in operation” are posted on the operating equipment and auxiliary systems. This eliminates the potential danger of stopping the wrong machine of the same type by mistake, and also eliminates the risk of an individual other than a worker operating the equipment by mistake.

Also, based on the Group’s global guidelines we inspect the facilities and safety equipment as well as the safety standards at our customer’s new factory before delivering our equipment. We examine and identify potential problems or questions regarding safety and work procedures, and work only begins after making the necessary preparations and improvements to the environment with the customer. Even after starting the equipment installation, we will run additional checks if necessary and make improvements after discussing the results with the customer.

Safety promotion activities

Nearly all accidents occur when unsafe conditions are combined with unsafe behavior. Therefore, we work to prevent unsafe conditions and behavior before they arise by having all workers share details about their work and areas to exercise caution, as well as review countermeasures for accidents and possible mistakes that can occur during operation in advance. Furthermore, we are improving the safety awareness of the workers by appointing leaders for each work group to oversee the entire worksite and having a safety manager visit the workplace to demonstrate proper caution and how to minimize risk factors that can lead to accidents or mistakes.

Safety education

We continue to put our efforts into safety education, because we believe each individual’s safety awareness leads to voluntary accident prevention activities. We utilize web-based educational and awareness campaigns to eliminate workplace accidents at all TEL Group locations in Japan and overseas. Furthermore, we have implemented physical safety training in Japan. For instance, we run simulations of accidents caused by an electrical short due to a current carrying wire being cut during operation to reduce the risk of similar accidents.



Physical safety training

| Glossary | *2 TCIR: Total Case Incident Rate. This is the occurrence rate of workplace accidents (OSHA standard) per 200,000 hours worked.

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

*4 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.”