TEL Spirit & Corporate Social Responsibility

Tokyo Electron Group CSR History



Foundation—We wanted to create the ideal company

Founded by Tokuo Kubo and Toshio Kodaka in November 1963. Tokyo Electron (TEL™) began as Tokyo Electron Laboratories Incorporated, with funding from Tokyo Broadcasting System (TBS) and capital of over five million yen.

Before Tokyo Electron, Kubo and Kodaka had worked for general trading companies and directly experienced the impact of the expansion of the electronics industry in the United States through their business deals. At this time, the United States economy was growing at a rapid pace, and with the birth of semiconductors in the industry, the ambitious young men achieved much success during this period by focusing on the electronics market and establishing one venture business after another. Inspired by the excitement of the United States, and possessing a strong desire to personally contribute to the cutting-edge advances being made at the time, the two men decided to become independent and start their own venture. In the ideal company that the founders envisioned, they would combine the after-sales service functions of a specialized trading company with the manufacturer capabilities that were not possible with a general trading company. Employees would be able to freely discuss and share their ideas, and together would form a company that was highly profitable, efficient, and continuously growing, in return giving back to its employees, shareholders, customers, and society as a whole. This new company would constantly seek to be on the cutting edge of technology, as well as stay constantly vigilant and alert to changing market needs.

These traditions continue to this day at Tokyo Electron, and we take pride in our workplace and consider our employees part of the TEL family. Of course, we also place a high priority on our shareholders, and profit is the first item in our new revised Management Policies. As a manufacturer, the commitment to stay on the cutting edge of the electronics field remains unchanged from when Tokuo Kubo and Toshio Kodaka started the company fifty years ago. The ideas inherited from the time of the company's inception, the TEL Spirit, form the cornerstone of our CSR activities.

1994

Standardized, Environment and Safety Center established

(Present Corporate Environment Promotion Department and Corporate Safety Promotion Center)

ISO 9001 acquisition begins

1995

Customer Satisfaction is established as the new corporate slogan

Tokyo Electron strove to achieve customer orientation and continuously work to establish the "Globally Excellent Company" we envision.



1997

ISO 14001 acquisition begins

1998

Strengthening and maintenance of the corporate governance framework Code of Ethics established **Ethics Committee and Compensation** Committee established

In order to construct the framework to become a "Globally Excellent Company," reorganization of the management structure was started, with efforts made to begin maintaining fairness and transparency.

1999

Received the Fourth Disclosure Award from the TSE

Safety First established

Corporate Profile

Company name: Tokyo Electron Limited (TEL) Address: Akasaka Biz Tower, 5-3-1 Akasaka, Minato-ku, Tokyo, Japan 107-6325

Established: November 11, 1963

Representative: Tetsuro Higashi, President & CEO Main business: semiconductor production equipment

business, flat panel display (FPD) production equipment business

Capital: 54,961,191,468 yen Number of employees: 1,551

Number of group employees: 11,355

Number of locations:

In Japan: 9 companies; 29 locations

Outside Japan:

40 companies in 15 countries; 48 locations

Worldwide total:

49 companies in 16 countries; 77 locations

(As of April 1, 2014)

Semiconductor production equipment



Coater/developers CLEAN TRACK TM LITHIUS $Pro^{TM} Z$



Plasma etch system



Thermal processing system TELINDY PLUS™



Single wafer deposition system



Single wafer cleaning system $CELLESTA^{TM}$ -i



Wafer prober Precio™

FPD production equipment



FPD plasma etch/ash system



Inkjet printing system for Elius™2500





Toward a Sustainable Society

2000 **Nomination Committee established**

Started publishing the **Environmental Report**

We began publishing this report as our corporate pledge to preserve the global environment as a business. We explain our environmental policies, and specific plans for action in implementing those policies and the results of such actions in this report.



2001 **Corporate Message**

"People. Technology. Commitment." established

Our corporate message clearly conveyed that we would serve as a backbone to an advanced information-based society, and make efforts to achieve a prosperous future.



2006

TEL Values established

TEL Values were established as action guidelines composed of five items for TEL Group employees around the world to share, and act as a driving force for growth.



2007

Human resources education institution **TEL UNIVERSITY established**

The goals of TEL UNIVERSITY are to strengthen knowledge, skills, and management training, as well as leadership development.

Environmental slogan Technology for Eco Life established



2009

2013

Information Security Committee established

CSR Promotion Department established

Organized for CSR promotion directly connected to management

Joined the United Nations Global Compact

The TEL Group was registered as a member company of the United Nations Global Compact in July 2013. In support of the Ten Principles, the TEL Group will work to maintain a harmonious pursuit of both its corporate activities and a sustainable society.



* TEL is a registered trademark or a trademark of Tokyo Electron Limited in Japan and/or other countries.

Consolidated net sales

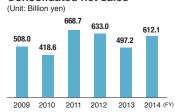
Electronic components &

computer networks 100.7 billion yen (16.5%) PV (photovoltaic panel) production equipment 3.8 billion yen

(0.6%)

FPD production equipment

28.3 billion yen (4.6%) Semiconductor production equipment 478.8 billion yen (78.2%)

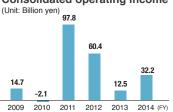


Net sales by division (Consolidated)

0.4 billion yen (0.1%)

FY2014

Consolidated operating income



Net sales by region (Consolidated)				
Other 3.3%				
Europe 5.5%				
South Korea 12.5%	Japan 26.4%			
China 13.4% FY2014				
North America 17.1%	Taiwan 21.8%			

Assets (Unit: Billion yen)	2013	2014
Total	775.5	828.5
Cash & cash equivalents	240.1	268.1
Trade notes, accounts receivables	100.5	129.0
Inventories	135.6	168.2
Other current assets	45.1	56.0
Tangible assets	135.6	112.3
Intangible assets	59.9	29.5
Investment & other assets	58.4	65.1

Liabilities & Net Assets

(Unit: Billion yer	2013	2014
Total	775.5	828.5
Net assets	605.1	590.6
Debt	166.6	224.4
Other liabilities	3.7	13.5

(As of March 31, each year)