

EHS Management

The TEL Group regards environment, health and safety activities (EHS activities) among its top business priorities.



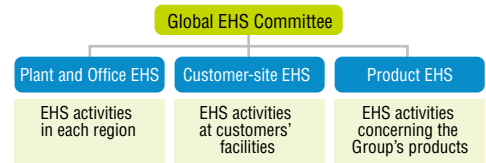
Fundamental Idea behind EHS Activities and Our EHS Promotion System

The TEL Group regards people's health, safety and the global environment as three of its most significant business priorities. We are committed to earning the trust of all of those involved in our business operations and to carrying out our business activities accordingly, basing our actions on our belief that EHS activities will lead to long-term benefits for the entire group. As a responsible corporate citizen, we are committed to realizing a healthier and more affluent society through implementation of our EHS activities.

We have established an EHS promotion system in order to foster EHS activities throughout the entire TEL Group. Our EHS activities cover three areas: Product EHS; Customer-site EHS, which concerns product delivery and design operations; and Plant and Office EHS. These activities are overseen by our Global EHS Committee.

TEL's Group companies and TEL's manufacturing subsidiaries in particular, began implementing environmental management systems based on ISO 14001 standards in 1997 and are currently in the process of obtaining ISO 14001 certification.

The TEL Group's EHS Promotion System



ISO 14001 Certified Plants and Offices

Company name	Plant/Office name	Certification date
Tokyo Electron Tohoku Ltd.	Tohoku Plant	February 19, 1998
Tokyo Electron Kyushu Ltd.	Koshi/Ozu Plants	March 26, 1998
Tokyo Electron Yamanashi Ltd.	Yamanashi Plant (Fuji/Hosaka area)	May 15, 1998
Tokyo Electron Miyagi Ltd.	Matsushima Plant	March 1, 2005
Tokyo Electron Technology Development Institute, Inc.	Sendai Office	June 24, 2010
Tokyo Electron Device Ltd.	Yokohama Office	July 14, 2004

EHS Training

The TEL Group offers EHS-based training courses for both group employees and employees of partner companies who work at the Group's facilities. The training course for new employees also includes mandatory EHS instruction.

EHS Monitoring System

In order to enhance the effectiveness of our EHS management system, we continually increase the level of auditing that checks

system functions and results. Auditing is performed from multiple viewpoints, including within plants and offices, within the Group, and by third parties.

TEL's manufacturing subsidiaries endeavor to comply with laws and regulations, carefully checking environmental laws, emissions standards, and other pertinent regulations while also establishing their own standards for some substances.

In fiscal 2011, there were no environment-related accidents,

Goals and Results for Fiscal 2011 EHS Activities and Goals for Fiscal 2012 EHS Activities

	Action item	Midterm Goals	Results for FY2011	Achievement level	Plans and goals for FY2012 onward	Related pages
EHS management	EHS internal audit	Perform EHS internal audit at plants and offices across the supply chain	Performed safety audits at production facilities		Continue to conduct audits	p.14
Product-related initiatives for the environment	Reduction of product-related environmental impacts	Reduce environmental impact by half in FY2015 (in comparison to FY2008) Basic unit: CO ₂ emissions per 300 mm of wafer	Implemented measures for 30-50% reduction in strategically targeted equipment and made recommendations to customers		Develop and implement specific technology-based measures to achieve a 50% reduction and continue to make recommendations to customers	p.15 p.16 p.17
	Measures to reduce the use of regulated chemical substances in equipment	Shipment of equipment with 98.5% or more of parts in compliance with the EU's RoHS	Continued shipment of equipment containing reduced amounts of chemicals since October 2008		Increase the number of products in compliance; continue to examine chemical-related regulations and implement measures for compliance	p.18
Logistics-related initiatives for the environment	Reduction of logistics-related environmental impacts	Reduce environmental impact by half in FY2015 (in comparison to FY2008) Basic unit: CO ₂ emissions per ton-kilometer	Achieved 14% basic unit reduction through shifting to seaborne shipping for domestic and overseas destinations		Help customers streamline their logistics by shortening equipment delivery lead time, which facilitates a modal shift, and by providing lighter shipping weights and increased local procurement	p.15 p.19
Plant and office initiatives for the environment	Reduction of plant and office environmental impacts	Reduce environmental impact by half in FY2015 (in comparison to FY2008) Basic unit: CO ₂ emissions per unit of sales	Total CO ₂ emissions reduced by 7%, but basic unit increased		Promote energy conservation activities by installing PV power generation systems and undertaking energy-saving measures. Use carbon offsetting	p.15 p.20
	Waste reduction	Continue zero emission efforts at manufacturing plants	Achieved zero emissions at manufacturing plants. The recycling rate for the entire Group rose slightly over the previous fiscal year		Continue zero emission efforts and examine reducing the total amount of waste	p.22
Health and safety related initiatives	Reduction in the number of accidents/disasters involving injuries or fatalities	Achieve a 30% year-on-year reduction in the number of accidents involving injuries or fatalities	The number of accidents involving injuries or fatalities increased partly due to a rise in product shipments, thus the target was not achieved		Reduce accidents involving injuries or fatalities in FY2012 to the same or lower level as in FY2010	p.24

Achieved target Achieved 80% of target Achieved less than 80% of target

Tokyo Electron's Environmental Commitment

In May 2008, the TEL Group spelled out its environmental commitment under the environmental action slogan "Technology for Eco Life."

- We aim to develop equipment that enables a 50% reduction—compared to 2007 levels—of the total environmental impact of new customer factories scheduled for completion in 2015 or later.
- We aim for a 50% reduction—compared to 2007 levels—of the impact of our business and transportation activities on the environment by 2015.
- We will strive to achieve these commitments in partnership with our stakeholders.

Progress in TEL's Environmental Commitment

1. Develop equipment that enables a 50% reduction in the total environmental impact of customer factories

Some equipment delivered to customers has already been close to achieving the target of a 50% reduction per 300 mm wafer unit. In addition to devoting efforts on the equipment level, we are also striving for an overall reduction in environmental impacts, including optimizing our customer's energy use¹ and addressing peripheral equipment that they currently possess.

2. Reduce the environmental impact of our business and transportation activities by 50%

Starting in fiscal 2011, the environmental impact of business activities and logistics are now managed separately.

(1) Business Activities

As sales decreased in fiscal 2011, the amount of total CO₂ emissions was 7% lower when compared to the baseline year (fiscal 2008), but there was an increase on a per unit of sales² basis.

In fiscal 2011, in addition to the existing environmental investment and energy saving programs to reduce CO₂ emissions, PV power generation systems were installed at our new plant in Miyagi Prefecture as well as the Yamanashi Plant. Furthermore, we

are working to halve our CO₂ emissions per unit of sales through actively utilizing carbon offsetting³ with domestic CDM.⁴

(2) Customer Shipments

The amount of CO₂ emissions in fiscal 2011 was cut approximately in half in comparison to the baseline year, and improved by approximately 14% per ton-kilometer.

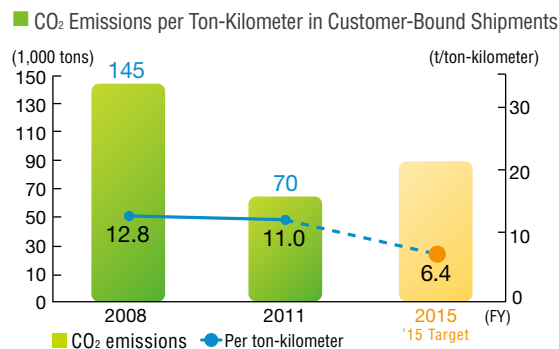
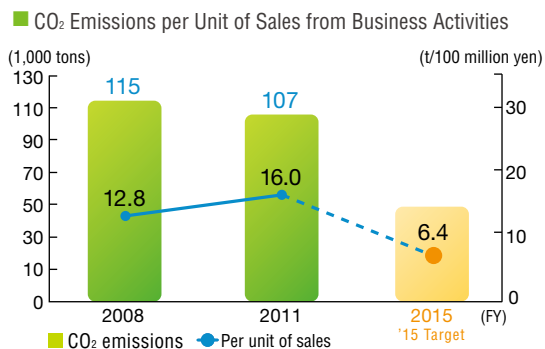
For shipments outside of Japan, transitioning from airborne to seaborne shipping entails lengthened shipment times, which we are addressing through efforts to reduce time spans needed to set up new equipment. Additionally, we are working to raise local procurement rates and reduce shipment weight by reducing equipment parts. We are striving to make this overall transition easier and working hand-in-hand with customers to reduce by half our basic units (CO₂ emissions per ton-kilometer).

¹ Energy use: Refers to the power, exhaust, coolant, purified water, etc. involved in manufacturing a product.

² Per unit of sales: CO₂ emissions from business activities ÷ net sales

³ Carbon offset: The compensation for part or all of greenhouse gas emissions that cannot easily be reduced by purchasing credits equal to the amount of reduction, or reabsorption, in greenhouse gas elsewhere.

⁴ Domestic CDM (Clean Development Mechanism): The approved reduction amount in CO₂ emissions in Japan's Domestic CDM System (a Japanese government scheme that allows small and medium-sized businesses to receive funding, technology, and technical support from large businesses in working collaboratively to reduce CO₂ emissions and trade the reduced amount as emission credits)



TOPICS

Domestic CDM Greenhouse Gas Reduction Credit — TEL's Participation in the Great East Japan Earthquake Recovery Program

The TEL Group plans to take part in the Great East Japan Earthquake Recovery Program under Japan's Domestic Carbon Credit System. Through continued participation in this scheme, the Group will obtain carbon offset credits to fulfill its environmental commitment at the same time as supporting the areas damaged in the Great East Japan Earthquake.

