

## INPUT (investment capital) Fiscal 2023

### Financial capital

Net assets **1,599.5** billion yen  
 Equity ratio **68.7%**  
 Total assets **2,311.5** billion yen

### Manufactured capital

Manufacturing sites **9** total  
 (6 in Japan and 3 overseas)  
 Manufacturing-related capital investment, such as new plant buildings and manufacturing equipment  
 Increasing of production capacity and leveling  
 Many years of know-how and proven performance in manufacturing operations

### Intellectual capital

R&D sites **14** total  
 (7 in Japan and 7 overseas)  
 R&D investment **191.1** billion yen  
 A high level of expertise in numerous areas, and the ability to fuse this knowledge together to create new products  
 Broad-ranging knowledge and technological capabilities in semiconductor manufacturing processes  
 Customer requests and technology trends  
 Equipment-related data accumulated through AI and knowledge management

### Human capital

Number of employees **17,204**  
 Proportion of engineers **67.6%**  
 Personnel able to perform globally  
 Human resource development through TEL UNIVERSITY

### Social and relationship capital

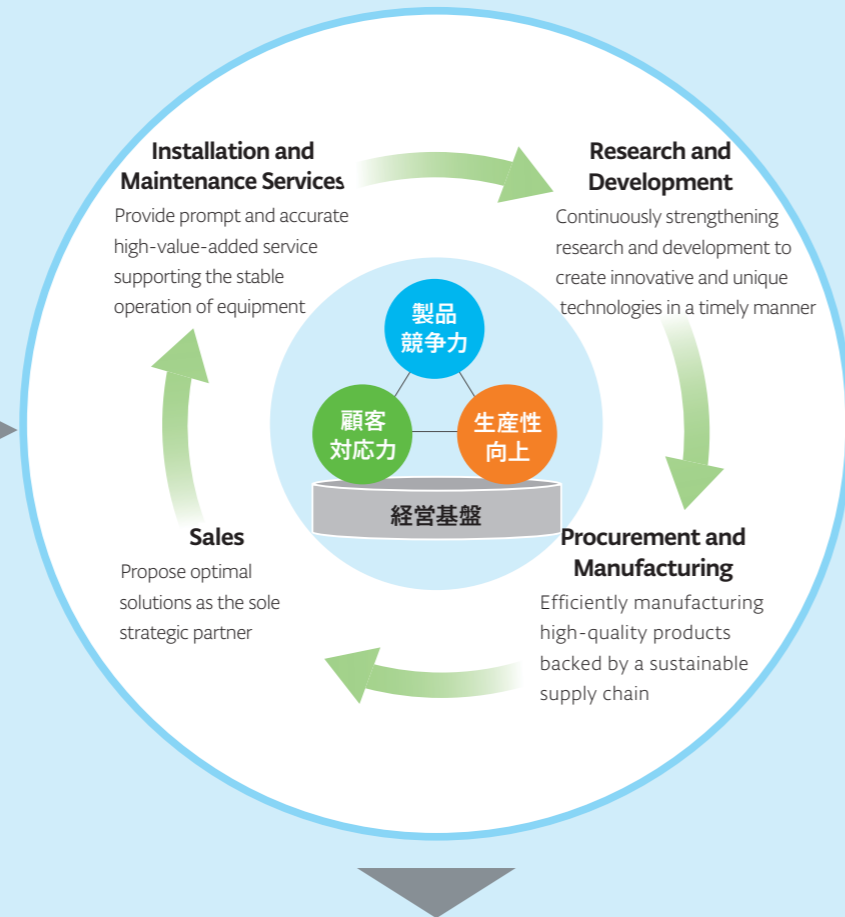
Relationship of mutual trust with customers built through many years of performance records  
 Solid partnerships with our suppliers  
 Foundation for business activities in local communities

### Natural capital

Energy consumption **106,637**kL  
 Water consumption **1,495,000** m<sup>3</sup>

## The driving forces behind our company

**Abundant technological capabilities** cultivated as an industry leader  
**Absolute trust from customers** based on our reliable technical services  
**Challenging spirit of our employees**, who are capable of flexibly and rapidly adapting to changes in the environment



## OUTPUT

**Semiconductor Production Equipment**  
**Field Solutions**

## OUTCOME (created value) Fiscal 2023

### Financial capital

Net Sales **2,209.0** billion yen  
 Operating margin **28.0%**  
 Net income **471.5** billion yen  
 ROE **32.3%**  
 Total annual dividend **267.9** billion yen (payout ratio: 50%)

### Manufactured capital

Cumulative number of equipment installations Approximately **88,000** units  
 (annual shipment volume of approximately 6,000 units)  
 High-quality and high-reliability products incorporating leading-edge technologies  
 Safety-first operation (TCIR) **0.33**  
 Observing equipment delivery and installation schedules

### Intellectual capital

Innovative, high-value-added unique technologies  
 Product lineup with No. **1** or No. **2** market share  
 Solutions for key processes in semiconductor scaling  
 Number of patents owned **21,645**  
 Highly efficient and high-quality service

### Human capital

Retention rate\* **96.2%**  
\* Calculated using data on turnover rate  
 Improvement in desire for growth and demonstration of the challenge spirit in employees, who both create and fulfill company values  
 Building of relationships of trust with stakeholders by employees with a high level of engagement  
 Ratio of female managers **5.7%**

### Social and relationship capital

Percentage of respondents who selected "Very Satisfied" or "Satisfied" in the customer satisfaction survey\* **100%**  
\* For each question, average score is calculated for all customers who responded  
 Rate of improvement after supply chain sustainability assessment **30.5%**  
(compared to fiscal 2022)  
 Creating employment opportunities in and paying taxes to local municipalities and nations where we carry out business activities  
 Number of TEL FOR GOOD\* programs **194**  
\* TEL FOR GOOD: The brand name for Tokyo Electron's social contribution activities

### Natural capital

Own CO<sub>2</sub> emissions **76%** reduction  
(compared to fiscal 2019, reduction of 132 kilotons due to renewable energy usage)  
 CO<sub>2</sub> emissions not from our Group (per wafer) reduction **20.8%**  
(compared to fiscal 2019)  
 Waste material recycling rate **98.5%**

## IMPACT

### Stakeholders

### Impact

#### Shareholders/ Investors

- Return of profit generated from business activities
- Realization of medium- to long-term growth and enhancement in corporate value

#### Customers

- Value creation and continuous growth for customers
- Improving productivity (utilization rate and yield) and reduced environmental impact in semiconductor manufacturing

#### Suppliers

- Deployment of business operations across our sustainable and highly competitive supply chain
- Improving added value of products and services handled, through collaboration with us

#### Employees

- Creating a workplace environment replete with dreams and vitality that enables employees to realize their full potential based on mutual trust between the organization and individuals

#### Local Communities

- The revitalization of and sustainable development in local communities through human resource development, employment opportunities, initiatives to preserve the local environment and paying taxes to local municipalities

#### Governments/ Associations

- Carrying out business activities that comply with laws and regulations, industry codes of conduct and other rules
- Initiatives that help solve and develop industrial and societal issues through collaboration with us

Realization of Vision and Practice of Corporate Philosophy