

ENVIRONMENTAL, HEALTH AND SAFETY ACTIVITIES

Tokyo Electron's corporate values include placing the highest priority on people's health and safety and taking the global environment into account when conducting business activities.

Fundamental Policy

Tokyo Electron positions environmental, health and safety activities as one of its most important management issues to achieve sustained corporate growth and continued development of society. With that in mind, Tokyo Electron is committed to reducing environmental loads across its activities, and to ensuring absolute safety in the Company's business premises and in those of its customers.

Tokyo Electron embodied these commitments in "TEL's Credo and Principles on Environmental Preservation" and "TEL's Safety and Health Credo and Principles" formulated in 1998. The former statement was reviewed and revised in May 2006 in light of the direction the business is taking and the Company's evolving approach to these issues. The recent revisions clarify a road map for environmental protection measures in product development; they mandate evaluation of environmental issues in the design, manufacture and utilization of our products, and disclosure of information to stakeholders through the publication of environmental and other reports.

EHS Management

Since 1997, Tokyo Electron has developed and implemented environmental management systems based on ISO 14001 standards, mainly for manufacturing operations, and obtained such certification.

Adoption of Environmental Accounting

Tokyo Electron has introduced an environmental accounting system that quantifies the cost of its activities in respect of environmental protection, and uses this as the basis for developing corporate action policies. For more information on achievements in fiscal 2007, please see the "Environmental and Social Report 2007" to be released in October 2007.

Product-related Environmental Initiatives

Proactive Environmentally Conscious Product Design

As clearly set forth in our revised TEL's Credo and Principles on Environmental Preservation, Tokyo Electron believes that promotion of product designs sensitive to the environment is vital. Tokyo Electron has positioned promotion of energy conservation in its

products, and reduction and replacement of hazardous chemicals in its products as priority issues.

1. Energy Conservation During Equipment Use

Since many of our products are manufactured and used in clean rooms, we take an all-inclusive approach that factors in the energy conservation aspect of the entire system, including the equipment and the clean room. The five major targets in this respect are as follows:

1. Reduce energy consumption of the equipment
2. Reduce energy consumption of peripheral devices
3. Use equipment in ways that conserve energy
4. Reduce energy consumption of the clean room
5. Overall clean room management (planned and appropriate operation)

Tokyo Electron played a central role in developing the SEMI S23 Guide for Conservation of Energy, Utilities and Materials Used by Semiconductor Manufacturing Equipment that was adopted as the global standard by the semiconductor industry. Tokyo Electron assesses the energy consumption of its products in accordance with these guidelines.

2. Hazardous Substances in Products

Growing out of the concern that hazardous substances in parts and materials could affect the environment and the ecological system, regulations restricting the use of such substances in automotive and electrical products are being tightened throughout the world. In July 2006, for example, the RoHS¹ directive came into force in Europe. Having determined that its semiconductor production equipment could be exempt from these directives as they fall within the definition of "large-scale stationary industrial tools," Tokyo Electron has prepared a written statement to that effect. Regarding the China RoHS directive² issued in March 2007, Tokyo Electron has achieved complete compliance. Tokyo Electron Group is acting in advance of regulatory requirements and has established the Chemical Substance Measures Team to share necessary information. The team comprises representatives of manufacturing divisions. In addition, Tokyo Electron Group is seeking active cooperation from suppliers, and investigating substances contained in products and finding and promoting substitutes. In fiscal 2007, Tokyo Electron Group formulated a schedule for the complete elimination of six substances specified by the RoHS directive.

¹ Restriction of the Use of Certain Hazardous Substances in electrical and electronic equipment

² The official name of the Chinese version of RoHS is Measures to Control Pollution From Electronic Information Products

ISO-14001-Certified Plants and Offices

Company/plant	Plant	Certification date	Certification number
Tokyo Electron AT Limited Tokyo Electron PS Limited	Sagami Plant	December 10, 1997	1110-1997-AE-KOB-RvA
Tokyo Electron Tohoku Limited	Tohoku Plant	February 19, 1998	1118-1998-AE-KOB-RvA
Tokyo Electron Kyushu Limited	Kumamoto/Koshi/Ozu/Saga plants	March 26, 1998	1120-1998-AE-KOB-RvA
Tokyo Electron AT Limited	Yamanashi Plant (Fuji/Hosaka area)	May 15, 1998	1124-1998-AE-KOB-RvA
	Miyagi Plant	March 1, 2005	01245-2005-AE-KOB-RvA
Tokyo Electron Device Limited	Yokohama Office	July 14, 2004	EC04J0144

Health and Safety Activities

Tokyo Electron promotes health and safety in all of its operations. This includes giving top priority to the health and safety of our employees and customers, and designing products with safety in mind. TEL's Safety and Health Credo and Principles clearly state that all employees are responsible for being constantly aware of health and safety considerations in all their business activities.

Continuing on from fiscal 2006 when the Company held safety training programs for top management, in fiscal 2007 the Company ran safety training for middle management. Targeted at department managers, section heads, group leaders and other mid-level management personnel, this training included discussion of case studies. The Company also introduced a training technique called team resource management (TRM) for on-site leaders. The goal of this training is to get workers to appreciate that communication and teamwork, which people usually do not pay much attention to, is actually extremely important and difficult to achieve.

Communicating With Stakeholders

Tokyo Electron Group actively promotes communication with all stakeholders. To develop environmental, health and safety initiatives, we believe that it is vital to share information as much as possible with all parties related to our business activities and to receive feedback.

One example is efforts to give back to local communities. Our philosophy states, "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." In line with this philosophy, we engage in activities to contribute to society and build relationships of trust with governments and local communities around our facilities. These activities are conducted not just in Japan but also abroad.

For further details, see "Environmental and Social Report 2007" (to be published in October 2007).

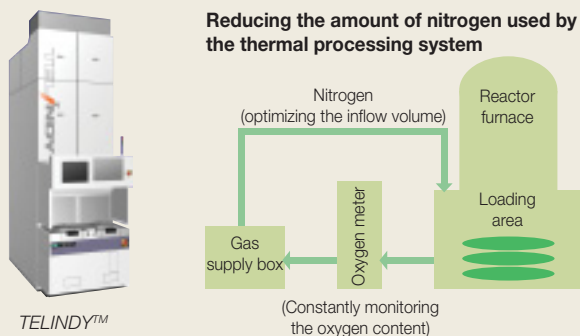
URL: <http://www.tel.com/eng/citizenship/ehsreport.htm>



TOPICS

Reducing Nitrogen Used by Thermal Processing Systems

In the loading area of the thermal processing system, where wafers are loaded for input into the reactor furnace, the oxygen content is kept at a low level by injecting nitrogen to prevent the surface of the wafer from oxidizing naturally. In the previous model, the inflow volume of nitrogen was kept at a certain level, but for TELINDY™, we have made it possible to constantly monitor the oxygen content in the loading area to control it, and so we can optimize the inflow volume of nitrogen according to the oxygen content at each of the wafer



processing stages. This has enabled us to reduce the use of nitrogen by approximately 60% compared with the amount used by the previous model.

Tokyo Electron Kyushu Plants Trees to Protect the Watershed

In March 2007, Tokyo Electron Kyushu planted trees on Mt.

Tawara in Aso to create a forest to protect the watershed. Based on a 5-year plan, this was the second time trees have been planted by the company. Many Tokyo Electron Kyushu employees and family members participated.



Tokyo Electron Kyushu employees and family members plant trees on Mt. Tawara, Aso.

Later, after the hard work was over, participants enjoyed a barbecue and the children present took part in a quiz to test and foster their knowledge of environmental issues.