

Green Procurement

We work with our suppliers to encourage the use of materials with low environmental impact, and to minimize the resources used and the waste emitted during product distribution.

Stance on Green Procurement

The semiconductor and FPD production equipment at the core of TEL business is made from raw materials and components procured from other companies.

If we are to reduce environmental impact across all business activities of TEL, the components and raw materials must be made in ways that take the environment into account. In this respect, we are making an effort to conduct purchasing based on our Green Procurement Guideline*, buying from those suppliers who are actively making an effort to reduce environmental impact.

In the future, we intend to start procuring materials only from suppliers who meet certain environmental standards.



*Green Procurement Guideline: Standards and targets for chemicals and energy conservation, packaging, resource conservation, recycling, and information disclosure.

Green Procurement Guideline

Efforts in FY 2003

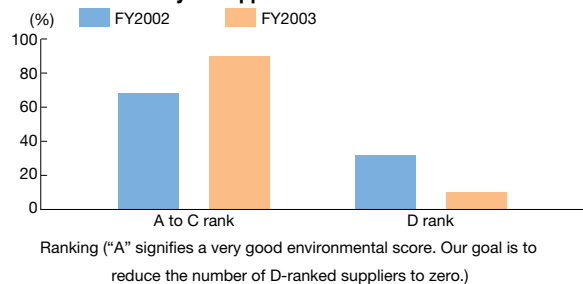
In FY 2002, we distributed a questionnaire to suppliers and received responses about their environmental activities.

We used four categories to rank our suppliers on environmental consideration and prepared two programs to help those whose efforts were inadequate. One program involves environmental education from TEL, and the other requires suppliers to maintain dialogue with us while making environmental improvements, based on written improvement plans that they themselves prepare. As a result of implementing these programs, the number of environmentally advanced suppliers (A to C rank) has increased while the percentage of suppliers with inadequate environmental consideration (D rank) has dropped to one-third the level of the previous year, as shown in the graph.

In addition, TEL spontaneously identified those chemical substances—over and above those already regulated by the government—that have serious environmental impact. We have been working to find substitutes and to reduce the amounts of these chemicals used. We have also started asking suppliers to cooperate in these efforts.

We will continue to work with our suppliers to reduce environmental impact.

Results of Survey of Suppliers' Environmental Activities



TOPICS

Message from a Procurement Manager



Satoru Inoue

Quality Assurance Department,
Koshi Plant, Tokyo Electron Kyushu Limited

Kumamoto, on Japan's island of Kyushu, has some of the best groundwater of all cities in the world. Improving the level of environmental management of the companies we deal with translates into helping to protect the local environment, and the people who depend on the region for all of their needs in life.

With this in mind, I will continue to make consideration of the impact on the local environment a priority in purchasing.

These containers help us use fewer packing materials.

In the past, we packaged each plastic box that we shipped, but today we pack the whole container and deliver it right to the customer's cleanroom. Since it stands tall and has wheels attached, the container does not waste space, and it has the merit of allowing us to ship many products at the same time.

With this new shipping method, we have been able to reduce the amount of packing materials used, and also to reduce the amount of work involved in packing and unpacking. In addition, because the walls of the container are made of clear acrylic, handlers can verify the contents, and this serves to prevent product damage and losses.



Containers used for shipping